

# **AUDITED FINANCIAL STATEMENTS**

**For The Period Ended 31 DEC 2020**

## **Universal Insurance Plc**

**RC 2460**



**UNIVERSAL INSURANCE PLC**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
*As at 31 DEC 2020*

	NOTES	GROUP		COMPANY	
		31/12/2020	31/12/2019	31/12/2020	31/12/2019
<b>Assets</b>		<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Cash and Cash Equivalents	6	336,766	113,378	335,398	111,730
Financial Assets	7	2,005,454	1,329,992	2,005,454	1,329,992
Trade Receivable	8	119,278	48,113	39,638	8,735
Reinsurance Assets	9	347,352	453,343	347,352	453,343
Deferred Acquisition cost	10	109,061	89,168	109,061	89,168
Deferred tax assets	23.a	403,685	403,685	403,685	403,685
Other Receivable	11	317,867	167,880	317,186	174,747
Investment in Subsidiaries	12	-	-	2,449,516	2,449,516
Investment Properties	13	5,240,696	5,235,696	1,891,000	1,886,000
Intangible Asset	14	62,229	55,242	62,229	55,242
Property, Plant and Equipment	15	2,728,150	2,770,513	2,672,512	2,730,026
Statutory Deposits	16	335,000	335,000	335,000	335,000
<b>Total Assets</b>		<b>12,005,539</b>	<b>11,002,010</b>	<b>10,968,032</b>	<b>10,027,184</b>
<b>Liabilities</b>					
Insurance Contract Liabilities	17	1,417,723	1,161,345	1,417,723	1,161,345
Borrowings	18	-	-	-	-
Trade payable	19	219,990	127,183	192,769	93,459
Other payable	20	107,298	117,347	89,684	104,003
Employee benefit liability	21	-	-	-	-
Income Tax liabilities	22	7,717	23,292	6,831	18,902
Deferred tax liabilities	23	296,875	387,435	296,875	296,875
<b>Total Liabilities</b>		<b>2,049,604</b>	<b>1,816,602</b>	<b>2,003,883</b>	<b>1,674,584</b>
<b>Equity</b>					
Issued and paid Share capital	24. 1	8,000,000	8,000,000	8,000,000	8,000,000
Share Premium	24. 2	825,018	825,018	825,018	825,018
Contingency Reserves	24. 3	586,655	484,775	586,655	484,775
Fair value reserve	24. 4	6,459	6,459	6,460	6,459
Non Current assets revaluation reserve	24. 5	2,524,040	2,524,040	768,329	768,329
Retained earnings	24. 6	(1,986,238)	(2,654,885)	(1,222,314)	(1,731,982)
Shareholders funds		9,955,935	9,185,407	8,964,147	8,352,599
Other equity instruments		-	-	-	-
Non - controlling interests		-	-	-	-
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>12,005,539</b>	<b>11,002,009</b>	<b>10,968,031</b>	<b>10,027,183</b>
		(0)	1	1	1

Signed on behalf of the Board of Directors on 19 March, 2021

**BENEDICT UJOATUONU**  
CHIEF EXECUTIVE OFFICER  
FRC/2013/CIIN/0000003282

**REGINALD ANYANWU**  
EXECUTIVE DIRECTOR  
FRC/2013/NIM/0000003245

**SAMUEL U. NDUBUISI**  
CHIEF FINANCE OFFICER  
FRC/2013/ICAN/0000003290

The accounting policies and the accompanying notes form an integral part of these financial statements

## Universal Insurance Plc

### Statements of Comprehensive Income

For the PERIOD ENDED 31 DEC 2020

STATEMENTS OF COMPREHENSIVE INCOME		GROUP		COMPANY	
For the PERIOD ENDED 31 DEC 2020					
Notes		31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Gross Premium written	25	3,396,005	1,870,255	3,396,005	1,870,255
Decrease/(increase) in unearned premium		(74,210)	(80,700)	(74,210)	(80,700)
Gross Premium Earned		3,321,795	1,379,607	3,321,795	1,789,555
Reinsurance Premium Expense	26	(761,309)	(410,488)	(761,309)	(410,488)
Net Insurance Premium Income		2,560,486	1,379,068	2,560,486	1,379,067
Fees and Commission income	27	133,478	79,984	133,478	79,984
Total Underwriting Income		2,693,964	1,459,052	2,693,964	1,459,051
Insurance benefits					
Claims expenses	28	(781,690)	(405,950)	(781,690)	(405,950)
Claims Expense Recovery from reinsurance	28	113,784	216,213	113,784	216,213
Change in contract liabilities	28	(36,727)	-	(36,727)	-
Net insurance benefit and claims		(704,633)	(189,737)	(704,633)	(189,737)
Underwriting Expenses					
Acquisition expenses	29	(526,826)	(272,323)	(538,848)	(297,382)
Maintenance expenses	29	(708,048)	(377,217)	(708,048)	(377,217)
Total Underwriting Expenses		(1,246,897)	(674,599)	(1,246,897)	(674,599)
Underwriting Profit/(Loss)		742,435	594,715	742,435	594,715
Investment income	30	212,151	123,396	212,151	123,396
Other operating income		30,142	37,148	-	-
Total investment income		242,293	160,544	212,151	123,396
Net Income		984,728	755,259	954,586	718,111
Unrealised fair value loss		675,461	(368,940)	675,461	(368,940)
Net realised gains/(loss) on financial assets	31 (i)	-	418,158	-	418,158
Deferred tax derecognised on reclassification of financial assets	23	-	-	-	-
Net fair value gain/(loss) on investment properties		5,000	11,000	5,000	11,000
Other operating and administrative expenses	32	(1,039,108)	(1,148,340)	(1,010,254)	(1,106,441)
Total Expenses		(358,647)	(1,088,122)	(329,793)	(1,046,223)
Result of operating activities		626,080	(332,863)	624,792	(328,112)
Interest expense	33	-	-	-	-
Profit or (Loss) before Taxation		626,080	(332,863)	624,792	(328,112)
Income Tax Expense/ (Credit)	22.1a	(14,130)	393,185	(13,244)	393,185
Profit or Loss after Taxation		611,950	60,322	611,548	65,073
Profit/(Loss) to Equity holder		611,950	60,322	611,548	65,073
Other comprehensive income /(loss)		-	-	-	-
Revaluation surplus on PPE		-	-	-	-
Total other comprehensive income					
Total comprehensive income / (loss) for the year					
Profit attributable to:					
Equity holders of the Company		611,950	60,322	611,548	65,073
Non-controlling interest		-	-	-	-
Profit/(loss) for the period		611,950	60,322	611,548	65,073
Other Comprehensive income					
Items within OCI that may be reclassified to the profit or loss;					
Fair value changes in AFS financial assets		-	(1,159,221)	-	(1,159,221)
Deferred tax impact of changes in AFS financial assets		-	403,685	-	403,685
Items within OCI that will not be reclassified to the profit or loss;					
2020 impairment gain/loss on Financial Assets	31 (ii)	(2,475)	2,092	(2,475)	(938)
PPE revaluation gains		-	-	-	-
Deferred tax impact of revaluation gains		-	-	-	-
Other comprehensive income for the period		(2,475)	(753,444)	(2,475)	(756,474)
Total comprehensive income		609,475	(693,122)	609,073	(691,401)
Total comprehensive income attributable to:					
Equity holders of the company		609,475	(693,122)	609,073	(691,401)
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		609,475	(693,122)	609,073	(691,401)
Earnings per share-(basic and diluted)(Kobo)	34	3.82	0.38	3.82	0.4

# THE UNIVERSAL INSURANCE PLC

## UNDERWRITING REVENUE ACCOUNT FOR THE PERIOD ENDED 31 DEC 2020

			MOTOR	FIRE	GENERAL ACCIDENT	BOND	ENGINEERING	OIL & GAS	AVIATION	MARINE	31/12/2020	31/12/2019
			N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Direct Premium Written			367,904	967,390	294,833	87,989	115,749	583,923	121,880	228,921	2,768,589	1,614,854
Reinsurance Accepted			45,175	283,983	38,073	695	23,098	183,837	-	52,555	627,416	255,402
Gross Premium Written			413,080	1,251,373	332,907	88,684	138,847	767,760	121,880	281,476	3,396,005	1,870,255
Changes in Reserve for Unexpired Risk (*)			(16,045)	(61,825)	6,625	5,109	(11,476)	98,257	(48,393)	(46,462)	(74,210)	(80,700)
Gross Premium Earned			397,035	1,189,548	339,531	93,793	127,371	866,016	73,487	235,014	3,321,795	1,789,555
Net Reinsurance Recovery (UPR) per actuarial valuation			1,041	(54,078)	6,759	3,572	9,757	(3,641)	18,452	11,934	(6,204)	117,025
Reinsurance cost			(20,129)	(314,725)	(77,408)	(22,184)	(33,357)	(192,276)	-	(95,027)	(755,105)	(527,513)
Net Premium Written			377,947	820,745	268,883	75,181	103,771	670,100	91,939	151,921	2,560,486	1,379,067
Commission Received			1,151	76,328	17,771	6,151	10,007	3,308	-	18,762	133,478	79,984
Net Income			379,098	897,073	286,654	81,333	113,778	673,408	91,939	170,682	2,693,964	1,459,051
Claims Incurred:												
Direct Claims Paid			88,285	96,765	111,111	144,485	12,897	22,725	2,141	13,730	492,138	343,483
Provision for Outstanding claims (IBNR)			10,695	115,481	10,586	(27,278)	2,637	(29,877)	2,601	2,046	86,890	(64,583)
<b>Additional charge to claims reserve per actuarial va</b>			(20,755)	7,227	55,840	36,980	304	5,239	-	22,549	107,384	207,825
Changes in Provision for Outstanding Claims (**)			28,833	88,512	(3,794)	(47,078)	2,537	23,861	3,318	(911)	95,277	(80,775)
Gross Claims Incurred			107,058	307,985	173,743	107,109	18,374	21,947	8,060	37,413	781,690	405,950
Reinsurance Claims Recovery per actuarial valuation											-	2,254
Reinsurance Recovery (IBNR) per actuarial valuation			8,736	(9,443)	1,637	(31,073)	(3,742)	(4,689)	-	1,847	(36,727)	104,297
Reinsurance Claims Recovery			(4,051)	(14,446)	(43,314)	(36,620)	-	(4,949)		(10,405)	(113,784)	(109,662)
Net Claims Incurred			111,743	284,096	132,065	39,416	14,632	12,310	8,060	28,856	631,179	402,839
Underwriting Expenses:		-										
Commission Paid			40,859	259,860	69,582	16,515	16,306	76,454	-	79,165	558,742	289,958
Changes in deferred commission			(2,936)	(46,917)	(26)	5,280	(1,581)	(415)	7,795	6,885	(31,915)	(17,635)
<b>Additional (DCA) per actuarial valuation report</b>			1,067	30,841	(42)	(7,157)	1,705	120	(147)	(14,365)	12,022	25,059
Maintenance expenses			87,627	88,830	88,830	87,018	88,830	87,018	87,018	92,878	708,048	377,217
Total Underwriting Expenses			126,617	332,615	158,344	101,656	105,259	163,177	94,665	164,563	1,246,897	674,599
Total Expenses			238,361	616,711	290,409	141,071	119,892	175,487	102,725	193,419	1,878,075	1,077,438
Underwriting Result			140,737	280,361	(3,756)	(59,739)	(6,114)	497,921	(10,787)	(22,736)	815,889	381,613
Provision for Unexpired Risk- 1 JANUARY 2020			117,865	61,612	85,257	37,048	41,410	137,846	77,741	54,372	613,151	532,451
Provision for Unexpired Risk- 31 Dec 2020			142,548	276,654	75,772	1,163	65,442	147,402	29,949	22,113	761,043	479,904
Additional charge (UPR) per actuarial valuation			(8,638)	(153,217)	2,860	30,776	(12,556)	(107,813)	96,185	78,721	(73,682)	133,247
Provision for Unexpired Risk- 31 Dec 2020			133,910	123,437	78,632	31,939	52,886	39,589	126,134	100,834	687,361	613,151
* Changes in reserve for unexpired Risk			(16,045)	(61,825)	6,625	5,109	(11,476)	98,257	(48,393)	(46,462)	(74,210)	(80,700)
Gross Claims Outstanding												
Provision for Outstanding Claims- 1 JANUARY 2020			21,453	13,468	87,118	135,471	1,136	21,126	2,669	26,986	309,427	390,202
Provision for Outstanding Claims- 31 Dec 2020			50,286	101,980	83,324	88,393	3,673	44,987	5,987	26,074	404,704	309,427
** Changes in provision for outstanding claims			28,833	88,512	(3,794)	(47,078)	2,537	23,861	3,318	(911)	95,277	(80,775)

# Universal Insurance Plc

## Statements of Changes in Equity (COMPANY)

for the period ended 31 Dec 2020

In thousands of Nigerian naira

	Share Capital	Share Premium	Revaluation reserve	Contingency reserve	Fair value	Retained earnings	Total
	reserves						
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2020	8,000,000	825,018	768,329	484,775	6,460	(1,731,982)	8,352,599
							-
	8,000,000	825,018	768,329	484,775	6,460	(1,731,982)	8,352,599
Total comprehensive income							
Profit and loss	-	-	-	-	-	611,548	611,548
Other comprehensive income							-
Gain on the revaluation of land and buildings			5,000				5,000
Foreign currency translation difference							-
Fair value reserve (available-for-sale) financial assets							-
Net change in fair value							-
Net amount transferred to profit or loss						-	-
Gain on the revaluation of land and buildings							-
Net Fair value changes in AFS financial assets							-
Net gain/loss on previous AFS reclassified to FVTPL							-
Fair value reserve derecognised on disposal						-	-
Transfer to contingency reserve				101,880		(101,880)	-
Other comprehensive income	-	-	-	101,880	-	(101,880)	5,000
Total comprehensive income for the period	-	-	-	101,880	-	509,668	616,548
Transfer during the year	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-
Total contribution and distributions to owners	-	-	-	-	-	-	-
Balance at 31 Dec 2020	8,000,000	825,018	768,329	586,655	6,460	(1,222,314)	8,969,147
Balance at 1 January 2019	8,000,000	825,018	757,329	428,667	1,583,838	(2,144,427)	9,450,425
IFRS 9 Transition						(173,058)	(173,058)
Total comprehensive income for the period							-
Profit or loss							-
Other comprehensive income							-
Gain on the revaluation of land and buildings	-	-	-	-	-	-	-
Net Fair value changes in AFS financial assets	-	-	-	-	-	-	-
Fair value reserve derecognised on disposal							-
Transfer to contingency reserve	-	-	-	36,492	-	36,492	-
	-	-	-	36,492	-	36,492	-
Other comprehensive income for the period	-	-					-
Total comprehensive income for the period	-	-		36,492	-	(209,550)	(173,058)
Balance at 31 Dec 2019	8,000,000	825,018	757,329	465,159	1,583,838	(2,353,977)	9,277,367

Universal Insurance Plc  
Statement Of Cash Flows

For the year ended 31 Dec 2020	GROUP		COMPANY	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	N'000	N'000	N'000	N'000
Cash flows from operating activities				
Insurance premium received from policy holders,Brokers & Agents,Cedants	3,365,102	1,872,451	3,365,102	1,872,452
Commission received	133,478	79,984	133,478	79,984
Reinsurance receipts in respect of claims	(295,952)	(114,269)	(295,952)	(114,269)
Reinsurance premium paid	(761,309)	(410,488)	(761,309)	(410,488)
Prepaid Minimum and Deposit on Oil & Gas	56,788	(12,465)	(56,788)	(12,465)
Other operating cash payments	(4,583,223)	(742,478)	(538,761)	(750,479)
Insurance benefits and Claims paid	492,138	(343,483)	(492,138)	(343,483)
Payments to intermediaries to acquire insurance contracts	558,742	(289,958)	(558,742)	(289,958)
Maintenance expenses	708,048	(377,217)	(708,048)	(377,217)
Interest Received	45,823	43,469	45,823	43,469
Dividend Income Received	155,222	67,927	155,222	67,927
Cash generated from operations	(125,143)	(226,527)	287,887	(234,527)
Company Income Tax paid	(25,315)	(24,132)	(25,315)	(24,132)
Net cash provided by operating activities	(150,458)	(250,659)	262,572	(258,659)
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	32,025	(43,622)	(26,949)	(35,532)
Purchase of Intangible Assets	23,060	(25,376)	(23,060)	(25,376)
Purchase of Listed Equities	-	-	-	-
Investment income and other receipts	11,106	11,999	11,106	11,999
Unlisted AFS Disposed	-	-	-	-
Net Cash provided by investing activities	66,191	(56,999)	(38,902)	(48,909)
Cash Flows from Financing Activities				
Proceeds from borrowings	-	-	-	-
Net cash provided by financing activities	-	-	-	-
Net Increase/(decrease) in cash and cash equiv.				
Cash and Cash equivalent at the beginning	421,034	421,034	111,729	419,297
Net increase/decrease in cash and cash equivalents	(84,267)	(307,657)	223,670	(307,568)
Cash and Cash equivalent at the end of period	336,767	113,377	335,399	111,729
	0		0	

## UNIVERSAL INSURANCE PLC COMPUTATION OF SOLVENCY MARGIN

AS AT 31 Dec 2020

### 1 ASSETS

Cash and bank balances  
Financial Assets - Quoted  
Financial Assets - Unquoted  
Trade Receivable  
Reinsurance Assets  
Deferred Acquisition cost  
Deferred tax assets  
Other Receivable  
Investment in Subsidiaries  
Investment Properties  
Intangible Asset  
Property, Plant and Equipment  
Statutory Deposits

**A**

### LIABILITIES

Insurance Contract Liabilities  
Trade payable  
Other payable  
Employee benefit liability  
Income Tax liabilities  
Deferred tax liabilities

**B**

**Excess of total admissible assets over  
admissible liabilities (A - B)**

Higher of:

Gross premium written  
Less: Reinsurance expenses

**Net Premium**

**15% of Net Premium**

**Solvency Margin**

**Minimum Paid up Capital**

**Excess of solvency margin over minimum capital base**

TOTAL	Inadmissible	Admissible
N'000	N'000	N'000
335,398		335,398
2,005,454		2,005,454
-	-	-
39,638		39,638
347,352		347,352
109,061		109,061
403,685	403,685	0
317,186	162,091	155,095
2,449,516	778,937	1,670,579
1,891,000	816,000	1,075,000
62,229	62,229	-
2,672,512	2,587,216	85,296
335,000		335,000
<b>10,968,032</b>	<b>4,406,473</b>	<b>6,157,873</b>
1,417,723		1,417,723
192,769		192,769
89,684		89,684
-		-
6,831		6,831
296,875	296,875	0
<b>2,003,883</b>	<b>296,875</b>	<b>1,707,008</b>
		-
		<b>4,450,865</b>
		<b>3,321,795</b>
		<b>(761,309)</b>
		<b>2,560,486</b>
		<b>384,073</b>
		<b>4,450,865</b>
		<b>3,000,000</b>
		<b>1,450,865</b>

**1 General Information:**

The financial statements of the Company for the period ended 31 Dec 2020 were authorised for issue in accordance with a resolution of the Directors.

The Company is a public limited company incorporated and domiciled in Nigeria. The corporate head office is located at 8, Gbagada Expressway, Anthony, Lagos.

The Company is principally engaged in the business of providing risk underwriting, related financial services and hospitality services to its customers.

**2 Summary of significant accounting policies:**

The principal accounting policies applied in the preparation of these financial statements are disclosed .

**3 Critical accounting estimates and judgements:**

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the period.

Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be

**3. (i) Fair value of financial assets:**

Financial assets are deemed to be impaired when there has been a significant or prolonged decline in the fair value below its cost.

This determination of what is significant or prolonged requires judgement. In making this judgement, group evaluates the normal volatility in share price, the financial health of the investee industry and sector performance, technological changes and cash flow among other factors  
*Valuation techniques.*

The fair value of financial instruments where no active market exists or where quoted prices are not available are determined by using

In these cases, the fair values are estimated from observable data derived for that instrument and valued in the case of the group, by applying the

**3. (ii) Liabilities arising from insurance contract:**

Liabilities for unpaid claims are estimated on case by case basis. The reserves made for claims fluctuate based on the nature and severity of the claim reported.

Claims incurred but not reported (IBNR) are determined using statistical analyses. The group believes that the reserves are adequate for the period.

**4 Insurance and Financial risks management**

The Company issues contracts that transfer insurance risk or financial risk or both.

**4.1 Insurance Risks management**

The Company accepts insurance risk through its insurance contracts and certain investments contracts where it assumes the risk of loss from persons or organisations to the underlying loss. The Company is exposed to the uncertainty surrounding the timing.

The Company manages its risk via its underwriting and reinsurance strategy within an overall risk management framework. Pricing is based on assumptions which have regard to trends and past experience. Exposures are managed by having documented underwriting limits and criteria. Reinsurance is purchased to mitigate the effect of potential loss to the Company from individual large or catastrophic events and also to provide access to specialist risks and to assist in managing capital. Reinsurance policies are written with approved reinsurers on either a proportional or excess of loss treaty basis.

The Company writes general insurance businesses. The most significant risks arise from persistency, longevity, morbidity, expense variations and investment returns. Concentration of risk may arise from geographic regions, epidemics, accumulation of risks and market risk.



#### 4.2 Financial Risk Management

The company monitors and manages the financial risks relating to the operations of the company through internal risk reports magnitude of risks.

These risks include:

- Market risk
- Credit risk
- Liquidity risk

##### 4.2.1 Market Risk

Market risk is the risk of adverse financial impact as a consequence of market movements such as currency exchange rates,

interest rates and other price changes.

Market risks arises due to fluctuations in both value of assets and liabilities. The company has established policies and procedures in order to manage market risks.

Interest rate risk management

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The company is exposed to interest rate risk as the company invest in short term investments at fixed interest rates.

Interest rate risk company also exists in products sold by the Company.

The company manages this risk by adopting close asset/liability matching criteria, to minimise the impact of mismatches between asset and liability values arising from

##### 4.2.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to honour its obligations and cause the Company to incur a financial loss.

The Company has adopted a policy of dealing only with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the

The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst

Credit exposure is controlled by counterparty limits that are reviewed and approved by the Risk Management Committee annually.

##### 4.2.3 Liquidity risk

Liquidity risk is the risk that the Company cannot meet its obligations associated with financial liabilities as they fall due. The Company has adopted an appropriate and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of assets and liabilities.

The Company is exposed to liquidity risk arising from clients on its insurance contracts.

In respect of catastrophic events, there is liquidity risk from a difference in timing between claim payments and recoveries thereon from reinsurers.

Liquidity management ensures that the Company has sufficient access to funds necessary to cover insurance claims, and maturing liabilities. The Company's assets marketable securities which could be converted into cash when required.

#### 4.3 Impairment assessment (Policy applicable from 1 January 2020)

The Company's ECL assessment and measurement method is set out below.

Significant increase in credit risk, default and cure

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Company assesses whether

The Company's process to assess changes in credit risk is multi-factor and has three main elements (or 'pillars'):

Quantitative elements

The quantitative element is the primary indicator of significant increases in credit risk, with the qualitative element playing a secondary role. The quantitative element is calculated based on the change in

Qualitative elements

In general, qualitative factors that are indicative of an increase in credit risk are reflected in PD models on a timely basis and thus are included in the quantitative assessment and not in a separate qualitative

Backstop indicators

Instruments which are more than 30 days past due or have been granted forbearance are generally regarded as having significantly increased in credit risk and may be credit-impaired. There is a rebuttable

During the year, there has been no significant increase in credit risk on the financial asset of the company. However, a Corporate bond held by the company defaulted during the year and was considered

Expected credit losses

The Company assesses the possible default events within 12 months for the calculation of the 12mECL and lifetime for the calculation of LTECL. Given the investment policy, the probability of default for

#### 4.4 Impairment assessment (Policy applicable from 1 January 2020)

Amounts arising from ECL

Inputs, assumptions and techniques used for estimating impairment.

Where external credit ratings are not available, the Company allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of default (including but not limited to the audited financial statement, management accounts and cashflow projections, available regulatory and press information about the borrowers and apply experiences credit judgement. Credit risk grades are defined by using qualitative and quantitative factors that are indicative of the risk of default and are aligned with the external credit rating definition from Moody's and standards and Poor.

The Company has assumed that the credit risk of a financial asset has not increased significantly since the initial recognition if the financial asset has low credit risk. The company considers a financial asset to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade".

As a back stop, the Company considers that a significant increase in credit risk occurs no later than when the asset is more than 30 days past due. Days past due are determined by counting the numbers of days since the earliest elapsed due date in respect of which full payments has not been received. Due dates

The Company monitors the effectiveness of the criteria used to identify significant increase in credit risk by regular reviews to confirm that:

- The criteria are capable of identifying significant increase in credit risk before an exposure is in default;

Modified financial assets

The contractual terms of a financial asset may be modified for a number of reasons, including changing market conditions and other factors not related to a current or potential credit deterioration of the borrower. An existing financial asset whose terms have been modified may be derecognized and the renegotiated

- Its risk of default occurring at the reporting date based on the modified term; with

The risk of default occurring estimated based on data on initial recognition and The original contractual terms.

Definition of default

A default is considered to have occurred with regard to a particular obligor when either or both of the two following events have taken place

- The Company considers that the obligor is unlikely to pay its credit obligations to the Company in full, without recourse by the insurer to
- The obligor is past due more than 90 days on any material credit obligation to the Company.

The elements to be taken as indications of unlikelihood to pay include:

to the bank taking on the exposure.

-The insurer sells The credit obligation at a material credit-related economic loss.

-The insurer consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material

##### 4.4.1 Analysis of inputs to the ECL model under multiple economic scenarios

An overview of the approach to estimating ECLs is set out in Note 2.11.4 Summary of significant accounting policies and in Note 2.5 Significant accounting

To ensure completeness and accuracy, the company obtains the data used from third party sources (Central Bank of Nigeria, Trading Economies e.t.c.). The following

#### 4.4.2 Analysis of inputs to the ECL model under multiple economic scenarios-continued

The tables show the values of the key forward looking economic variables/assumptions used in each of the economic scenarios for the ECL calculations. The figures for "Subsequent years" represent a long-term average and so are the same for each scenario.

Key drivers	ECL scenario	Assigned probability	2021	2022	2023	2024	2025
31-Dec-20							
Inflation Rate	Upturn	10%	14.1	14.1	14.1	14.0	15.0
	Base-case	79%	14.9	14.9	14.9	14.8	15.8
	Downturn	11%	15.9	15.9	15.9	15.8	16.8
Unemployment Rate	Upturn	10%	13.1	13.1	13.1	15.4	13.1
	Base-case	79%	15.0	15.0	15.0	17.3	15.6
	Downturn	11%	16.9	16.9	16.9	19.2	16.9
Crude oil Price (USD per barrel)	Upturn	10%	56.9	56.9	56.9	54.5	56.1
	Base-case	79%	54.3	54.3	54.3	51.9	53.1
	Downturn	11%	52.0	52.0	52.0	49.6	51.2
01-Jan-20							
Inflation Rate	Upturn	10%	15.0	14.1	14.1	13.2	14.0
	Base-case	78%	15.6	14.9	14.9	14.0	14.8
	Downturn	12%	16.8	15.9	15.9	15.0	15.8
Unemployment Rate	Upturn	10%	13.1	13.1	13.1	16.9	15.4
	Base-case	78%	15.6	15.0	15.0	18.8	17.3
	Downturn	12%	16.9	16.9	16.9	20.7	19.2
Crude oil Price (USD per barrel)	Upturn	10%	56.1	56.9	56.9	52.7	54.5
	Base-case	78%	53.1	54.3	54.3	50.1	51.9
	Downturn	12%	51.2	52.0	52.0	47.8	49.6

The following tables outline the impact of multiple scenarios on the allowance:

31 Dec 2020 In thousand of Nigerian Naira	Other receivables from related parties	Placements	Statutory deposit	Staff loans	Current account balances	Other receivables (For Subsidiary)	Bank balances (for subsidiary)
Upside	6,914,778	-	1,453,882	6,386,304	6,355,914	30,225,283	-
Base	55,894,475	-	11,752,431	51,622,514	5,207,339	99,725,922	-
Downside	7,491,005	-	1,575,099	6,916,499	4,492,373	85,842,077	-
Total	70,300,258	-	14,781,411	64,927,318	16,045,626	215,793,282	-
1 January 2020 In thousand of Nigerian Naira	Other receivables from related parties	Placements	Statutory deposit	Staff loans	Current account balances	Other receivables (For Subsidiary)	Bank balances (for subsidiary)
Upside	1,220,725	-	14,276	9,327	43,618	1,220,726	-
Base	9,867,533	-	115,396	75,389	35,736	9,867,533	-
Downside	1,322,452	-	15,466	10,104	30,761	1,322,452	-
Total	12,410,710	-	145,138	94,820	110,115	12,410,711	-

#### 4.4.3 Exposure to credit risk

The tables below show the maximum exposure to credit risk by class of financial asset.

In thousand of Nigerian Naira	Note	Maximum Exposure N'000	Associated ECL(2020)
For the year ended 31 Dec 2020			
Current account balances		239,226	161
Placements with Banks		49,828	90
Staff loans		33,465	649
Statutory deposit		335,000	148
Other receivables (For Subsidiary)		2,449,516	30,729
Bank balances (for subsidiary)		1,152	-
Other receivables from related parties		49,620	70,300
Total financial asset at amortized cost		3,157,807	102,077
In thousand of Nigerian Naira	Note	Maximum Exposure N'000	Associated ECL(2019)
For the year ended 31 Dec 2019			
Current account balances		110,184	110
Placements with Banks		9	-
Staff loans		4,148	530
Statutory deposit		335,000	145
Other receivables (For Subsidiary)		225,746	69,985
Bank balances (for subsidiary)		1,637	-
Other receivables from related parties		35,460	1,950
Other receivables (rent receivables)		-	-
Total loans and receivables		712,184	72,720

The amount reported above is the gross exposure on cash and cash equivalent, staff loans and other receivables.

In measuring credit risk of other receivables to various counterparties, the Company considers the character and capacity of the obligor to pay or meet contractual obligations, current exposures to the counter

#### 4.4.4 Analysis of risk Concentration

The company's concentrations of risk are managed by client/counterparty, and industry sector. The maximum credit exposure to any client or counterparty as of 31 Dec 2020 was N3,059,173 million (2019:

#### 4.4.5 Analysis of risk Concentration

The following table shows the risk concentration by industry for the components of the statement of financial position.

Industry analysis					
31-Dec-20	Individuals	Financial services	Government	Others	Total
<i>In thousand of Nigerian Naira</i>					
Cash and Cash Equivalent	-	625,206	-	-	625,206
Other Receivables	33,465	-	-	49,620	83,085
Trade receivable- Receivable from sub	-	-	-	2,449,516	2,449,516
	33,465	625,206	-	2,499,136	3,157,807

31-Dec-19	Individuals	Financial services	Government	Others	Total
<i>In thousand of Nigerian Naira</i>					
Cash and Cash Equivalent	-	446,830	-	-	446,830
Other Receivables	4,148	-	-	35,460	39,608
Trade receivable- Receivable from sub	-	-	-	225,746	225,746
	4,148	446,830	-	261,206	712,184

#### 5 Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern and comply with the regulators' capital requirements of the markets in which the Company operates while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. Reinsurance is also used as part of capital management.

#### 6 Cash and Cash Equivalent

	GROUP		COMPANY	
	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
This comprises of:				
Cash In Hand	47,968	3,439	47,752	3,428
Current Account Balances	239,226	110,184	238,074	108,547
Placement with banks	49,828	9	49,828	9
	337,021	113,632	335,653	111,984
Allowance for Impairment Losses	(255)	(255)	(255)	(255)
	336,766	113,377	335,398	111,729

#### Impairment Allowance For Current Account

##### 6.1 (GROUP)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to current account balances is as follows:

<i>In thousands of Nigerian Naira</i>	Stage 1	Stage 2 individual	Stage 3	Total
	individual			N'000
Gross carrying amount as at 1 January 2020	110,184	-	-	110,184
New assets originated or purchased	239,226	-	-	239,226
Payments and assets derecognized or repaid (excluding write offs)	(110,184)	-	-	(110,184)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Accrued interest	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2020	239,226	-	-	239,226

6.1.1 Impairment allowance for current account balances - continued

<i>In thousands of Nigerian Naira</i>	Stage 1 individual	Stage 2 individual	Stage 3	Total N'000
ECL allowance as at 1 January 2020 under IFRS 9	760	-	-	760
New assets originated or purchased	110	-	-	110
Payment and assets derecognized or repaid (excluding write offs)	(615)	-	-	(615)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-
Changes to models used for ECL calculations	-	-	-	-
Changes to estimates and assumptions used for ECL calculations	-	-	-	-
Unwind of discount	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Recoveries	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2020				

6.1.2 Analysis of changes in the gross carrying of Placements with bank during the year

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to placements with banks is as follows:

<i>In thousands of Nigerian Naira</i>	Stage 1 individual	Stage 2 individual	Stage 3	Total N'000
Gross carrying amount as at 1 January 2020	9	-	-	9
New assets originated or purchased	49,828	-	-	49,828
Payments and assets derecognized or repaid (excluding write offs)	(9)	-	-	(9)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Accrued interest	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2020	49,828	-	-	49,828

6.1.3 Impairment allowance for placements with bank

<i>In thousands of Nigerian Naira</i>	Stage 1 individual	Stage 2 individual	Stage 3	Total N'000
ECL allowance as at 1 January 2020 under IFRS 9	570	-	-	570
New assets originated or purchased	-	-	-	-
Payment and assets derecognized or repaid (excluding write offs)	(570)	-	-	(570)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-
Changes to models used for ECL calculations	-	-	-	-
Changes to estimates and assumptions used for ECL calculations	-	-	-	-
Unwind of discount	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Recoveries	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2020	-	-	-	-

Impairment Allowance For Current Account

6.2 (COMPANY)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to current account balances is as follows:

<i>In thousands of Nigerian Naira</i>	Stage 1 individual	Stage 2 individual	Stage 3	Total ₦'000
Gross carrying amount as at 1 January 2020	108,547	-	-	108,547
New assets originated or purchased	238,074	-	-	238,074
Payments and assets derecognized or repaid (excluding write offs)	(108,547)	-	-	(108,547)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Accrued interest	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2020	238,074	-	-	238,074

6.2.1 Impairment allowance for current account balances - continued

<i>In thousands of Nigerian Naira</i>	Stage 1 individual	Stage 2 individual	Stage 3	Total ₦'000
ECL allowance as at 1 January 2020 under IFRS 9	760	-	-	760
New assets originated or purchased	141	-	-	141
Payment and assets derecognized or repaid (excluding write offs)	(615)	-	-	(615)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-
Changes to models used for ECL calculations	-	-	-	-
Changes to estimates and assumptions used for ECL calculations	-	-	-	-
Unwind of discount	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Recoveries	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2020	286	-	-	286

6.2.2 Analysis of changes in the gross carrying of Placements with bank during the year

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to placements with banks is as follows:

<i>In thousands of Nigerian Naira</i>	Stage 1 individual	Stage 2 individual	Stage 3	Total ₦'000
Gross carrying amount as at 1 January 2020	9	-	-	9
New assets originated or purchased	49,828	-	-	49,828
Payments and assets derecognized or repaid (excluding write offs)	(9)	-	-	(9)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Accrued interest	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2020	49,828	-	-	49,828

## 6.2.3 Impairment allowance for placements with bank

<i>In thousands of Nigerian Naira</i>	Stage 1 individual	Stage 2 individual	Stage 3	Total N'000
ECL allowance as at 1 January 2020 under IFRS 9	570	-	-	570
New assets originated or purchased	49,828	-	-	49,828
Payment and assets derecognized or repaid (excluding write offs)	(570)	-	-	(570)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-
Changes to models used for ECL calculations	-	-	-	-
Changes to estimates and assumptions used for ECL calculations	-	-	-	-
Unwind of discount	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Recoveries	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2020	49,828	-	-	49,828

## 6.3 Reconciliation of ECL Impairment allowance

	GROUP		COMPANY	
	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Opening balance as at January 1	255	1,330	255	1,330
Increase/(decrease) during the year ( Note 31 (ii))	960	(1,075)	960	(1,075)
Closing balance as at Dec 31	1,215	255	1,215	255

## 7 Financial asset

Equity instrument at fair value through profit or loss	GROUP		COMPANY	
	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
-Mandatorily measured at FVPL	2,005,454	1,329,992	2,005,454	1,329,992
Equity instrument at fair value through OCI	-	-	-	-
Total Equity instruments	2,005,454	1,329,992	2,005,454	1,329,992
Current	-	612,182	-	612,182
Non-current	2,005,454	717,810	2,005,454	717,810

## (a) Financial assets at fair value through profit or loss

	GROUP		COMPANY	
	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
<i>Listed Equity securities</i>				
Balance as at January 1	1,329,993	612,182	1,329,993	612,182
Addition during the year	-	-	-	-
Reclassification from FVOCI ( MTN shares- Note 7(b))	-	1,086,750	-	1,086,750
Disposal during the year	-	-	-	-
Fair value gain/(loss)	675,461	(368,940)	675,461	(368,940)
Foreign Exchange gain/(loss)	-	-	-	-
Net impairment gain/(loss)	-	-	-	-
Balance as at Dec 31	2,005,454	1,329,992	2,005,454	1,329,992

Previous fair value gain reserve of N418.156m related to the sum of N1,086,750 reclassified to FVTPL. This amount has been subsequently reclassified to profit or

	GROUP		COMPANY	
	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Fair Value through Other Comprehensive Income				
(b) (FVOCI) Financial Assets				
<i>Unlisted Equity securities</i>				
Balance as at January 1	-	2,245,971	-	2,245,971
Addition during the year	-	-	-	-
Reclassification to FVTPL ( MTN shares- Note 7(a))	-	(1,086,750)	-	(1,086,750)
Disposal during the year	-	-	-	-
Fair value gain/(loss)	-	(1,159,221)	-	(1,159,221)
Foreign Exchange gain/(loss)	-	-	-	-
Net impairment gain/(loss)	-	-	-	-
Balance as at Dec 31	-	-	-	-

Investment in MTN was converted to Quoted Investment in 2019. Fair value gain/(loss) is posted to the Account

(b.1) Returns on MTN shares		=N=	
2020		155,093	
2019		16,740	
2018		20,890	
		GROUP	
		COMPANY	
8 Trade Receivables		31-Dec-20	31-Dec-19
		N'000	N'000
Insurance receivables		39,638	8,735
Other receivables (From subsidiary)		110,369	109,363
Impairment on Subsidiary		(30,729)	(30,729)
		119,278	87,369
8.1 Age Analysis of Trade receivables		31-Dec-20	31-Dec-19
		N'000	N'000
Within 30 days		39,638	8,735
Above 30 days		79,640	39,378
		119,278	48,113
8.2 Premium receivable from agents, brokers and intermediaries		31-Dec-20	31-Dec-19
		N'000	N'000
Due from agents		-	-
Due from brokers		(66,787)	5,169
Due from insurance companies		106,425	3,566
Due from insurance companies		39,638	8,735
8.3 Movements on the allowance for impairment of receivables arising out of direct insurance arrangements are as follows:		31-Dec-20	31-Dec-19
		N'000	N'000
At beginning of year JANUARY 1		-	-
Provision for impairment		(69,985)	(69,985)
Amount written off during the year as uncollectible		39,256	39,256
At end of year ( Dec 31, 2020)		(30,729)	(30,729)
9 Reinsurance Assets		31-Dec-20	31-Dec-19
		N'000	N'000
Reinsurance Share of UPR		176,382	182,586
Reinsurance Share of Outstanding Claims		114,182	133,878
Reinsurance Share of IBNR		-	124,414
Total Reinsurance Assets		290,564	440,878
Prepaid Minimum and Deposit (M&D) on Oil & Gas		56,788	12,465
		347,352	453,343
9.1 Movements in Reinsurance share of UPR		31-Dec-20	31-Dec-19
		N'000	N'000
At the beginning of the year		182,586	65,560
Increase/(Decrease) during the year		(6,204)	117,026
Balance at the end of the year		176,382	182,586
9.2 Movement in Reinsurance Share of outstanding Claims		31-Dec-20	31-Dec-19
		N'000	N'000
Balance at the beginning of the year		133,878	131,624
Increase/(Decrease) during the year		(19,697)	2,254
Balance at the end of the year		114,181	133,878
9.3 Movement in Reinsurance Share of IBNR		31-Dec-20	31-Dec-19
		N'000	N'000
Balance at the beginning of the year		124,414	20,117
Increase/(Decrease) during the year		(124,414)	104,297
Allowance for impairment		-	-
Balance at the end of the year		-	124,414
9.4 Movement in Reinsurance Share of Prepaid (M&D)		31-Dec-20	31-Dec-19
		N'000	N'000
Balance at the beginning of the year		12,465	19,764
Increase/(Decrease) during the year		35,483	(7,299)
Balance at the end of the year		47,948	12,465

There were no indicators of impairments for re-insurance assets as balance are set-off against payable from retrocession at the end of every quarter  
Reinsurance receivables are to be settled on demand and the carrying amount is not significantly different from the fair value



# 10 Deferred acquisition

Deferred acquisition costs represent commissions on unearned premium relating to the unexpired period of risks and comprise:

	GROUP		COMPANY	
	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Motor	11,892	10,023	11,892	10,023
Fire	26,666	10,591	26,666	10,591
General accident	15,826	15,757	15,826	15,757
Bond	7,389	5,512	7,389	5,512
Engineering	6,860	6,984	6,860	6,984
Oil & Gas	15,848	15,553	15,848	15,553
Aviation	5,537	13,185	5,537	13,185
Marine	19,044	11,563	19,044	11,563
Additional (DCA) per actuarial Valuation Report	-	-	-	-
	<b>109,061</b>	<b>89,168</b>	<b>109,061</b>	<b>89,168</b>

## 10.1 Movement in deferred acquisition cost

At beginning of year	89,172	96,592	89,172	96,592
Changes during the year	19,895	(7,420)	19,895	(7,420)
At end of year	<b>109,067</b>	<b>89,172</b>	<b>109,067</b>	<b>89,172</b>
Due within 12 months	<b>109,067</b>	<b>89,172</b>	<b>109,067</b>	<b>89,172</b>
Due after more than 12 months	-	-	-	-

# 11 Other Receivables, Prepayments

The balance is analysed as follow:

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Prepayments	251,546	145,764	251,546	145,764
Due from Related Parties	49,620	35,460	49,620	42,685
Staff Debtors	33,465	4,148	33,465	4,148
Staff Share Loan	-	-	-	-
Deposit for properties (reclassified from inv. Properties) (11(v))	720,000	720,000	720,000	720,000
Other receivables	3,725	3,325	3,725	3,325
	<b>1,058,356</b>	<b>908,697</b>	<b>1,058,356</b>	<b>915,922</b>
Impairment of due from related parties	(1,950)	(1,950)	(1,950)	(1,950)
Impairment Charges on Staff loan	(525)	(530)	(525)	(530)
Impairment of other loans and receivables	(738,695)	906,217	(738,695)	(738,695)
	<b>317,186</b>	<b>167,522</b>	<b>317,186</b>	<b>174,747</b>
Current	317,186	167,522	317,186	174,747
Non-current	-	-	-	-

## Movement in staff share loan

	GROUP		COMPANY	
	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Balance as at January 1	-	1,598,942	-	1,598,942
Addition during the year	-	-	-	-
Prepayment during the year	-	-	-	-
Reclassified due to African Alliance Insurance Plc (Note 20.1(a))	-	(1,598,942)	-	(1,598,942)
Accrued Interest on staff share loan	-	-	-	-
Impairment loss	-	-	-	-
Balance as at 30 Dec	-	-	-	-

## 11.1 Inventories

Stock of raw materials	681	358	-	-
	<b>681</b>	<b>358.00</b>	<b>-</b>	<b>-</b>
	<b>317,867</b>	<b>167,880</b>	<b>317,186</b>	<b>174,747</b>

## 11.2 Prepayments

Other Receivable	62,984	30,597	62,984	30,597
Prepaid Rent	28,275	27,944	28,275	27,944
Recapitalization Expenses	129,000	51,000	129,000	51,000
Interest Payables(Lease)	5,149	32,380	5,149	32,380
FIRS WTH A/C	26,441	3,843	26,441	3,843
	<b>251,849</b>	<b>145,764</b>	<b>251,849</b>	<b>145,764</b>

## 11.3 Staff Debtors

Prepaid Staff Peronal Loan	33,465	4,148	33,465	4,148
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### 11.3.1 Movement in staff Debtors

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Balance as at January 1	4,148	7,592	4,148	7,592
Addition in the year	39,231	7,321	39,231	7,321
Interest earned during the year	815	204	815	204
Repayments during the year	(10,814)	(10,969)	(10,814)	(10,969)
Balance as at 30 Dec	<b>33,380</b>	<b>4,148</b>	<b>33,380</b>	<b>4,148</b>

11.4 Movement in impairment allowance as at December 31,2020  
GROUP

	Prepayment N'000	Due from related parties N'000	Staff Debtors N'000	Staff Share loan N'000	Deposit for properties N'000	Other receivables N'000	Total N'000
Gross Amount as at December 31	251,546	49,620	33,465	-	720,000	3,725	1,058,356
ECL as at January 1	(15,370)	(2,765)	(649)	-	(720,000)	(3,325)	(742,109)
Increase/(Decrease) in Impairment Allowance:	-	815	1,198	-	-	-	2,013
Write back/write off/Reversal during the year	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
Carrying Amount as at December 31	236,176	47,670	34,014	-	-	400	318,260

11.4.1 COMPANY

Movement in impairment allowance as at December 31,2020

	Prepayment N'000	Due from related parties N'000	Staff Debtors N'000	Staff Share loan N'000	Deposit for properties N'000	Other receivables N'000	Total N'000
Gross Amount as at December 31	251,546	49,620	33,465	-	720,000	3,725	1,058,356
ECL as at January 1	(15,370)	(2,765)	(1,728)	-	(720,000)	(3,325)	(743,188)
Increase/(Decrease) in Impairment Allowance:	-	815	1,198	-	-	-	2,013
Write back/write off/Reversal during the year	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
Carrying Amount as at December 31	236,176	47,670	32,935	-	-	400	317,181

In June 2008, Universal Insurance Plc paid for 20 units of Houses to be developed by Minaj Holdings Limited in the Vine Garden Estate Abuja. Commencement of this project is doubtful. Effort

	GROUP		COMPANY	
	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
12 Investment in subsidiaries				
This comprises of investment in:				
Universal Hotels Limited (Note 12(i))	-	-	2,449,516	2,449,516
Impairment charge on Universal Hotel	-	-	-	-
Investment in subsidiaries	-	-	2,449,516	2,449,516

12 (i) Universal Hotels Limited

The Company was established to carry on the business of providing hotel, accommodation, tourist and hospitality activities.

Universal Insurance Plc has 100% investments in the company.

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
13 Investment properties				
Oyigbo Garden Avenue estate	532,000	530,000	532,000	530,000
Rumudumu For Model Estate	816,000	816,000	816,000	816,000
UHE Complex	3,349,696	3,349,696	-	-
Others ( Nigeria Cement company; Progress Bank Ltd; Nigeria Tobacco Ltd;	-	-	-	-
Ferdinand Oil Ltd)	-	-	-	-
Molit Mall	543,000	540,000	543,000	540,000
	5,240,696	5,235,696	1,891,000	1,886,000
Impairment loss on investment properties	-	-	-	-
	5,240,696	5,235,696	1,891,000	1,886,000

The properties of the Company at Oyigbo Garden Estate and Rumudumu For Model Estate were revalued on December 31,2020 by A.C.Otegbulu & Partners, Estate Surveyors & Valuers (FRC/2013/NIESV/00000001582) to ascertain the open market value of the Investment Properties. The fair value gain/(loss) on the investment properties wer recognised in the Statement of Comprehensive Income for the period.

Investment properties represent buildings and un-developed landed properties acquired for subsequent disposal in the near future and not occupied substantially by the company or members of the group of the holding company. They are not

	Balance as at Jan 1	Addition	Disposal	Reclassi- fication	Transfer	Revalua- tion Gain	Balance as at 31 December	Status in Title
13.a Movement of Assets								
1 Oyigbo Garden Avenue Estate	540,000	-	-	-	-	3,000	543,000	Yes
2 Rumudumu For Model Estate	816,000	-	-	-	-	-	816,000	NO
3 Molit Mall	530,000	-	-	-	-	2,000	532,000	Yes
Total	1,886,000	-	-	-	-	5,000	1,891,000	

13.b Assets In The Name of Conau Limited:

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000 Amount	31-Dec-19 N'000 Amount
Rumudumu Model Estate Portharcourt	816,000	816,000	816,000	816,000

These assets were introduced by Conau Limited in 2007 during the recapitalisation exercise, with deeds assigning the properties to Universal Insurance Plc

Status of Perfection of Title:

The firm of IBOM Partners, a firm of attorneys, solicitors, fraud examiners & legal consultants have been appointed to commence the process of perfecting the title to the properties in the name of Universal Insurance Plc.

14 INTANGIBLE ASSETS(2020)

14.a Intangible Assets(2020)

	GROUP		COMPANY	
	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Cost				
Balance, beginning of period	92,259	66,883	92,259	66,883
Additions	23,060	25,376	23,060	25,376
Transferred from PPE (Computer)	-	-	-	-
Balance, end of period	115,319	92,259	115,319	92,259
Accumulated amortisation				
Balance, beginning of period	37,016	23,969	37,016	23,969
Amortisation expense/impairment charge	16,073	13,047	16,073	13,047
Transferred from PPE (computer)	-	-	-	-
Balance, end of period	53,089	37,016	53,089	37,016
Net book amount				
End of period	62,229	55,242	62,229	55,243

The intangible assets of the Company comprised of computer software. The computer softwares are accounted for using the cost model of IAS 38 i.e. cost less

14.b INTANGIBLE ASSETS(2019)

	GROUP		COMPANY	
	31-Dec-19 N'000	31-Dec-18 N'000	31-Dec-19 N'000	31-Dec-18 N'000
Cost				
Balance, beginning of period	66,883	36,989	66,883	36,989
Additions	25,376	29,894	25,376	29,894
Transferred from PPE (Computer)	-	-	-	-
Balance, end of period	92,259	66,883	92,259	66,883
Accumulated amortisation				
Balance, beginning of period	23,969	16,439	23,969	16,439
Amortisation expense/impairment charge	13,047	7,530	13,047	7,530
Transferred from PPE (computer)	-	-	-	-
Balance, end of period	37,016	23,969	37,016	23,969
Net book amount				
End of period	55,243	42,914	55,243	42,914

PROPERTY PLANTS AND EQUIPMENTS  
15.a(i) GROUP (2020)

	Land N'000	Building N'000	Plant & Machinery N'000	Furniture and Fittings N'000	Motor Vehicles N'000	Computer Hardware N'000	Total N'000
Cost/Revalued amount							
Balance, beginning of period	257,500	3,141,100	77,915	189,484	357,956	28,501	4,052,455
Additions during the year	-	5,050	3,090	5,366	17,200	1,319	32,025
Disposals	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Balance, end of period	257,500	3,146,150	81,005	194,850	375,156	29,820	4,084,479
Accumulated depreciation							
Balance, beginning of period	-	776,400	41,910	136,831	301,210	10,116	1,266,467
Charge for the year	-	61,959	7,395	8,017	9,914	2,578	89,862
On Disposal	-	-	-	-	-	-	-
Balance, end of period	-	838,359	49,305	144,848	311,124	12,694	1,356,329
Netbook value as at 30 Dec 2020	257,500	2,307,791	31,700	50,002	64,032	17,126	2,728,150
Netbook value as at 1 JANUARY 2020	257,500	2,364,700	36,004	52,654	56,746	18,385	2,785,988

	Balance as at Jan 1	Addition	Disposal	Reclassification	Transfer	Revaluation Gain	Depreciation	Balance as at 31 Dec
15.a(ii) Movement in Land & Building (Group)								
Property at Ridgeway Station Road Enugu	390,920	-	-	-	-	-	10,114	380,806
Property at New Owerri Road Behind CBN, Owerri	1,016,712	-	-	-	-	-	25,956	990,756
Property at no 2 Emole Street Enugu	77,285	-	-	-	-	-	2,010	75,275
49A,50A,51A,52A and 53A city Layout Enugu	623,505	-	-	-	-	-	16,100	607,405
Eliowahani Shell estate, Obior Akpor LGA, Portharcourt	283,358	-	-	-	-	-	7,114	276,244
Land at Awka ,Anambra State	257,500	-	-	-	-	-	-	257,500
Hotel Building at Aguleri Rd, Enugu	33,454	5,050	-	-	-	-	-	38,504
Total	2,649,280	5,050	-	-	-	-	61,294	2,626,490

PROPERTIES, PLANT AND EQUIPMENT  
15.b(i) GROUP(2019)

	Land N'000	Building N'000	Plant & Machinery N'000	Furniture and Fittings N'000	Motor Vehicles N'000	Computer Hardware N'000	Total N'000
Cost/Revalued amount							
Balance, beginning of period	257,500	3,139,538	64,519	174,161	350,856	22,260	4,008,834
Additions during the year	-	1,562	13,395	15,324	7,100	6,241	43,622
Disposals	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Balance, end of period	257,500	3,141,100	77,914	189,485	357,956	28,501	4,052,456
Accumulated depreciation							
Balance, beginning of period	-	714,305	34,802	130,010	246,405	7,310	1,132,832
Accumulated depreciation: Land	-	-	-	-	-	-	-
Charge for the year	-	62,095	7,108	6,821	54,805	2,806	133,635
On Disposal	-	-	-	-	-	-	-
Balance, end of period	-	776,400	41,910	136,831	301,210	10,116	1,266,467
Netbook value as at 31 December 2019	257,500	2,364,700	36,004	52,654	56,746	18,385	2,770,513
Netbook value as at 1 JANUARY 2019	257,500	2,425,233	29,717	44,151	102,988	14,950	2,874,540

	Balance as at Jan 1	Addition	Disposal	Reclassification on	Transfer	Revaluation Gain	Depreciation	Balance as at 31 Dec
15.b(ii) Movement in Land & Building (Group)								
Property at Ridgeway Station Road Enugu	390,920	-	-	-	-	-	10,114	380,806
Property at New Owerri Road Behind CBN, Owerri	1,016,712	-	-	-	-	-	25,956	990,756
Property at no 2 Emole Street Enugu	77,285	-	-	-	-	-	2,010	75,275
49A,50A,51A,52A and 53A city Layout Enugu	623,508	-	-	-	-	-	16,100	607,408
Eliowahani Shell estate, Obior Akpor LGA, Portharcourt	283,358	-	-	-	-	-	7,114	276,244
Land at Awka ,Anambra State	257,500	-	-	-	-	-	-	257,500
Hotel Building at Aguleri Rd, Enugu	33,454	1,562	-	-	-	-	802	34,214
Total	2,682,737	1,562	-	-	-	-	62,096	2,622,203

PROPERTY PLANTS AND EQUIPMENTS  
15.c(i) COMPANY (2020)

	Land N'000	Building N'000	Plant & Machinery N'000	Furniture and Fittings N'000	Motor Vehicles N'000	Computer Hardware N'000	Total N'000
Cost/Revalued amount							
Balance, beginning of period	257,500	3,103,175	33,987	129,679	343,251	28,501	3,896,092
Additions during the year	-	-	3,090	5,340	17,200	1,319	26,949
Disposals	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Balance, end of period	257,500	3,103,175	37,077	135,019	360,451	29,820	3,923,040
Accumulated depreciation							
Balance, beginning of period	-	773,459	13,972	80,553	287,968	10,116	1,166,066
Charge for the year	-	62,091	3,330	6,550	9,914	2,578	84,462
On Disposal	-	-	-	-	-	-	-
Balance, end of period	-	835,550	17,301	87,102	297,882	12,693	1,250,529
Netbook value as at 30 Dec 2020	257,500	2,267,625	19,775	47,916	62,569	17,126	2,672,512
Netbook value as at 1 JANUARY 2020	257,500	2,329,716	20,015	49,127	55,283	18,385	2,730,026

15.c(ii) Movement in Land & Building (Company)	Balance as at Jan 1	Addition	Disposal	Reclassification	Transfer	Revaluation Gain	Depreciation	Balance as at 31 Dec
Property at Ridgeway Station Road Enugu	390,920	-	-	-	-	-	10,114	380,806
Property at New Owerri Road Behind CBN, Owerri	1,016,712	-	-	-	-	-	25,956	990,756
Property at no 2 Emole Street Enugu	77,285	-	-	-	-	-	2,010	75,275
49A,50A,51A,52A and 53A city Layout Enugu	623,505	-	-	-	-	-	16,100	607,405
Eliowahani Shell estate, Obior Akpor LGA, Portharcourt	283,358	-	-	-	-	-	7,114	276,244
Land at Awka ,Anambra State	257,500	-	-	-	-	-	-	257,500
Total	2,649,280	-	-	-	-	-	61,294	2,587,986

15.d(i) COMPANY(2019)

	Land N'000	Building N'000	Plant & Machinery N'000	Furniture and Fittings N'000	Motor Vehicles N'000	Computer Hardware N'000	Total N'000
Cost/Revalued amount							
Balance, beginning of period	257,500	3,103,175	25,888	115,586	336,151	22,260	3,860,560
Additions during the year	-	-	8,098	14,093	7,100	6,241	35,532
Disposals	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Balance, end of period	257,500	3,103,175	33,986	129,679	343,251	28,501	3,896,092
Accumulated depreciation							
Balance, beginning of period	-	711,395	10,929	75,141	233,163	7,309	1,037,937
Charge for the year	-	62,064	3,043	5,411	54,805	2,806	128,129
On Disposal	-	-	-	-	-	-	-
Balance, end of period	-	773,459	13,972	80,552	287,968	10,116	1,166,066
Netbook value as at 31 December 2019	257,500	2,329,716	20,014	49,127	55,283	18,385	2,730,026
Netbook value as at 1 JANUARY 2019	257,500	2,391,779	14,959	40,445	102,988	14,951	2,822,623

15.d(ii) Movement in Land & Building (Company)	Balance as at Jan 1	Addition	Disposal	Reclassification	Transfer	Revaluation Gain	Depreciation	Balance as at 31 Dec
Property at Ridgeway Station Road Enugu	390,920	-	-	-	-	-	10,114	380,806
Property at New Owerri Road Behind CBN, Owerri	1,016,712	-	-	-	-	-	25,956	990,756
Property at no 2 Emole Street Enugu	77,285	-	-	-	-	-	2,010	75,275
49A,50A,51A,52A and 53A city Layout Enugu	623,505	-	-	-	-	-	16,100	607,405
Eliowahani Shell estate, Obior Akpor LGA, Portharcourt	283,358	-	-	-	-	-	7,114	276,244
Land at Awka ,Anambra State	257,500	-	-	-	-	-	-	257,500
Total	2,649,280	-	-	-	-	-	61,294	2,587,986

16 STATUTORY DEPOSIT

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Statutory deposit	335,000	335,000	335,000	335,000
Total	335,000	335,000	335,000	335,000

Non-current

Statutory deposit represents the amount deposited with the Central Bank of Nigeria in accordance with Section 10 (3) of the Insurance Act 2003.

17 Insurance Contract Liabilities

GROUP

COMPANY

Aggregate Insurance Contract Liabilities

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Unearned Premium	687,361	613,151	687,361	613,151
Outstanding Claims	404,704	309,427	404,704	309,427
IBNR	325,658	238,768	325,658	238,768
Total	1,417,723	1,161,346	1,417,723	1,161,346

17.(i) Insurance Contract Liabilities

Movement in Unearned Premium (UPR)

Balance as at January 1  
Increase/(Decrease) during the year  
Balance as at 31 Dec

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Balance as at January 1	613,151	532,451	613,151	532,451
Increase/(Decrease) during the year	74,210	80,700	74,210	80,700
Balance as at 31 Dec	687,361	613,151	687,361	613,151

Movement in Outstanding Claims

Balance as at January 1  
Increase/(Decrease) during the year  
Balance as at 31 Dec

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Balance as at January 1	309,427	390,202	309,427	390,202
Increase/(Decrease) during the year	95,277	(80,775)	95,277	(80,775)
Balance as at 31 Dec	404,704	309,427	404,704	309,427

Movement in IBNR

Balance as at January 1  
Increase/(Decrease) during the year  
Balance as at 31 Dec

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Balance as at January 1	238,768	95,526	238,768	95,526
Increase/(Decrease) during the year	86,890	143,242	86,890	143,242
Balance as at 31 Dec	325,658	238,768	325,658	238,768

17.a(i) Age Analysis of Outstanding Claims:

Outstanding Claims (Days)  
Number of Claimants

Awaiting Support Documents

Awaiting Settlement decision from Lead Assurers

Claims awaiting Payment

Total

0-90 19 N'000	91-180 28 N'000	181-270 37 N'000	271-360 46 N'000	Above 360 55 N'000	Total 185 N'000
20,235	30,353	40,470	50,588	60,706	202,352
12,141	18,212	24,282	30,353	36,423	121,411
8,094	12,141	16,188	20,236	24,282	80,941
40,470	60,706	80,940	101,177	121,411	404,704

The latest valuation of the fund was as at 30 March 2021 by Ernest & Young. At that date, the gross book value of the fund was stated above for each of the years  
Provision for claims was determined using the inflation adjusted chain ladder method and claims development from 2011 to 2020

17 a(ii) Cumulative Claims Development table as at Dec 2020 (stated in N'000)

In addition to the testing, the development of Insurance liabilities provided a measure of the claims. The tables below illustrate how the group's estimates

Motor		Incremental Chain Ladder--Yearly Projections (N'000)								
Accident Year		1	2	3	4	5	6	7	8	9
	2010	4,014	4,046	3,861	170	-	-	-	-	-
	2011	5,422	3,444	938	128	-	42	-	90	56
	2012	3,376	5,308	725	-	-	1,500	-	214	-
	2013	4,861	3,581	3,220	-	-	-	-	-	-
	2014	3,999	8,207	12	-	-	-	-	-	-
	2015	9,740	7,273	903	-	591	-	-	-	-
	2016	15,504	8,922	711	-	-	-	-	-	-
	2017	15,374	11,333	236	-	-	-	-	-	-
	2018	24,039	10,082	-	-	-	-	-	-	-
	2019	37,497	-	-	-	-	-	-	-	-

Fire		Incremental Chain Ladder--Yearly Projections (N'000)								
Accident Year		1	2	3	4	5	6	7	8	9
	2010	1,449	272	99	635	3,500	-	-	-	-
	2011	-	70	5,875	-	694	-	-	-	39
	2012	237	655	1,913	308	-	-	-	3,678	-
	2013	139	2,135	2,496	-	-	-	-	-	-
	2014	936	771	91	943	-	-	-	-	-
	2015	1,489	457	108	28	-	-	-	-	-
	2016	1,575	5,393	1,559	778	-	-	-	-	-
	2017	2,430	20,886	10	-	-	-	-	-	-
	2018	15,094	1,963	-	-	-	-	-	-	-
	2019	11,279	-	-	-	-	-	-	-	-

Marine		Incremental Chain Ladder--Yearly Projections (N'000)								
Accident Year		1	2	3	4	5	6	7	8	9
	2010	-	1,731	19	-	-	-	-	-	-
	2011	487	3,785	-	-	438	-	-	-	-
	2012	1,153	1,640	-	-	-	-	-	-	-
	2013	624	255	-	-	-	-	-	-	-
	2014	-	3,816	-	-	-	-	-	-	-
	2015	1,113	14,681	2,132	-	-	-	-	-	-
	2016	622	554	-	-	-	-	-	-	-
	2017	4,340	140	-	-	-	-	-	-	-
	2018	5,544	12,358	-	-	-	-	-	-	-
	2019	2,879	-	-	-	-	-	-	-	-

General Accident		Incremental Chain Ladder--Yearly Projections (N'000)								
Accident Year		1	2	3	4	5	6	7	8	9
	2010	1,824	2,115	50	784	68	-	-	-	-
	2011	408	6,677	82	-	501	23	-	-	3,187
	2012	634	4,574	-	68	12	87	9,013	-	-
	2013	7,012	5,580	258	-	-	-	-	-	-
	2014	1,893	33,472	438	84	-	-	-	-	-
	2015	18,121	6,551	592	112	123	-	-	-	-
	2016	18,957	99,572	10,795	144	-	-	-	-	-
	2017	12,246	13,470	1,094	-	-	-	-	-	-
	2018	35,317	22,542	-	-	-	-	-	-	-
	2019	14,310	-	-	-	-	-	-	-	-

17 b. Hypothetization of investment/assets	31-Dec-20 Total	31-Dec-20 Policy Holder's	31-Dec-20 Shareholder's	31-Dec-19 Total	31-Dec-19 Policy Holder's	31-Dec-19 Shareholder's
	Funds N'000	Funds N'000	Funds N'000	Funds N'000	Funds N'000	Funds N'000
Cash and Cash Equivalents	335,398	95,000	240,398	111,730	95,000	16,730
Financial Assets: Quoted	2,005,454	633,354	1,372,100	1,329,992	346,125	983,867
Financial Assets: UnQuoted	-	-	-	-	-	-
Trade Receivable	39,638	-	39,638	8,735	-	8,735
Reinsurance Assets	347,352	258,355	88,997	453,343	446,208	7,135
Deferred Acquisition cost	109,061	-	109,061	89,168	-	89,168
Other Receivable	317,186	-	317,186	174,747	-	174,747
Investment in Subsidiaries	2,449,516	-	2,449,516	2,449,516	-	2,449,516
Investment Properties	1,891,000	278,861	1,612,139	1,886,000	274,012	1,611,988
Intangible Asset	62,229	-	62,229	55,242	-	55,242
Property, Plant and Equipment	2,672,512	-	2,672,512	2,730,026	-	2,730,026
Statutory Deposits	335,000	-	335,000	335,000	-	335,000
Total Assets	10,564,347	1,265,570	9,298,777	9,623,499	1,161,345	8,462,154
Insurance Contract Liabilities	-	1,417,723	-	-	1,161,346	-

# 18 BORROWINGS

## 19 Trade payables

Trade payables represent liabilities to agents, brokers and re-insurers on insurance contracts during the year

	GROUP 31-Dec-20	31-Dec-19	COMPANY 31-Dec-20	31-Dec-19
Reinsurance payable	192,769	93,459	192,769	93,459
Insurance payable	-	-	-	-
Other trade creditors	27,221	33,724	-	-
Balance at year end	219,990	127,183	192,769	93,459

Current	219,990	127,183	192,769	93,459
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## 19.(i) Other trade creditors Due to Suppliers

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## 20 Other payables

This is analysed as follow:

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Due to related parties	14,328	14,328	14,328	14,328
Provisions and accruals	90,034	83,469	72,420	83,469
Rent Received in Advance	2,937	6,206	2,937	6,206
	107,298	104,003	89,684	104,003
Current	107,298	104,003	89,684	104,003
Non-current	-	-	-	-

## 20.1 Due to related companies Conau Limited African Alliance Insurance Plc Due to other related parties

	-	-	-	-
	14,328	14,328	14,328	14,328
	14,328	14,328	14,328	14,328

## 20.1(a) Due to related parties--African Alliance Insurance Plc

	GROUP 31-Dec-20 N'000	31-Dec-19 N'000	COMPANY 31-Dec-20 N'000	31-Dec-19 N'000
Balance as at January 1	-	1,599,667	-	1,599,667
Addition during the year	-	-	-	-
Prepayment during the year	-	-	-	-
Reclassification from Staff Share Loan (note 11(b))	-	(1,598,942)	-	(1,598,942)
Gain on cancellation of payables	-	(725)	-	(725)
Balance as at Dec 30	-	-	-	-

## 20.1(b) African Alliance Insurance Plc:

This is a sister company having common directorship with Universal Insurance Plc. Universal Insurance Plc is not indebted to African Alliance Plc in any form. The amount of =N=1,598,942,000 (one billion five hundred and ninety eight million nine hundred and forty two thousand naira only) represents African Alliance Insurance Plc shares warehoused for Universal Insurance Plc staff. However Universal Insurance Plc Staff did not take up the shares. Universal Insurance Plc has written African Alliance to cancel the shares, which African Alliance Plc has accepted. Securities and Exchange Commission (SEC) has approved cancellation based on their letter of "NO OBJECTION" to Vetiva Capital Management Ltd on African Alliance Plc Corporate restructuring of November 18, 2019

## 20.1c Provisions and accruals

	GROUP 31-Dec-20 N'000	31-Dec-19 N'000	COMPANY 31-Dec-20 N'000	31-Dec-19 N'000
Lease Rentals	-	-	-	-
Accrued Expenses	112,547	78,900	94,933	78,900
Payable to Associate	4,569	4,569	4,569	4,569
	117,116	83,469	99,502	83,469

## 20.1d Rent Received in Advance

Rent from Molit Mall in Advance	2,937	6,206	2,937	6,206
	2,937	6,206	2,937	6,206



21 Employee benefit liabilities

Defined contributory scheme

The Company runs a defined contributory plan in accordance with the Pensions Reform Act where contributions are made to an approved pension fund administrator. The amount recognised as an

	GROUP		COMPANY	
	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Staff pension scheme	-	-	-	-
Current			-	-
Balance as per January 1	-	2,178	-	2,178
Current Service Cost		-		-
Payment during the year	-	(2,178)	-	(2,178)
Interest Expense		-		-
Actuarial Re-Measurement		-		-
Balance as per 31 Dec	-	-	-	-

22 Income tax payable

22.1 Per Profit and Loss Account

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Income Tax	12,506	8,203	11,620	8,203
Education Tax	1,250	1,641	1,250	1,641
Provision for NITDA Tax	375	656	375	656
	14,130	10,500	13,244	10,500
Deferred Taxation		-		-
Profit and Loss Account	14,130	10,500	13,244	10,500

22.2 Per Balance Sheet

Taxation				
At beginning of year	18,902	32,534	18,902	32,534
Charge for the Year	14,130	10,500	13,244	10,500
Payment during the Year	(25,315)	(24,132)	(25,315)	(24,132)
At year end	7,717	18,902	6,831	18,902

23 Deferred Tax Liability

At beginning of year	296,875	700,560	296,875	700,560
Derecognised on Reclassification of AFS FA	-	(403,685)	-	(403,685)
Charged to profit and loss	-	-	-	-
At year end	296,875	296,875	296,875	296,875
To be recovered after more than 12 months	296,875	296,875	296,875	296,875
To be recovered in 12 months				-

23.a Deferred Tax Assets

Deferred Tax derecognized from the conversion of MTN from unquoted to quoted	403,685	403,685	403,685	403,685
	403,685	403,685	403,685	403,685

24 EQUITY

24. 1. Share capital

The share capital comprises:	30-09-2020 N'000	30-09-2019 N'000	30-09-2020 N'000	30-09-2019 N'000
Authorised -				
30,000,000,000 Ordinary shares of 50k each	15,000,000	15,000,000	15,000,000	15,000,000
Issued and fully paid -				
16,000,000,000 Ordinary shares of N0.50k each	8,000,000	8,000,000	8,000,000	8,000,000

24. 2. Share premium

Share premium is made up of payments in excess of par value of paid-in capital. This reserve is not ordinarily available for distribution.

24. 3. Contingency Reserve

Balance, beginning of period	484,775	428,667	484,775	428,667
Transfer from profit and loss	101,880	56,108	101,880	56,108
Balance, end of period	586,655	484,775	586,655	484,775
Gross Written Premium	3,396,005	1,870,255	3,396,005	1,870,255
Percentage Rate for transfer	3%	3%	3%	3%
Increase in Contingency	101,880	56,108	101,880	56,108

In accordance with the Insurance act, a contingency reserve is credited with the greater of 3% of total premiums or 20% of total profits after tax. This shall accumulate until it reaches the amount of greater

24. 4. Fair Value Reserve

This is the net accumulated change in the fair value of available for sale asset until the investment is derecognised or impaired.

Balance, beginning of period	6,459	1,583,838	6,460	1,583,838
Net Fair value gain/(loss) on available-for-sale unquoted equity	-	(1,159,221)	-	(1,159,221)
Net Fair Value derecognised at reclassification	-	(418,158)	-	(418,158)
Balance as at period end	6,459	6,459	6,459	6,459

Previous fair value gain reserve of N418.156m related to the sum of N1 ,086,750 reclassified to FVTPL. This amount has been subsequently reclassified to profit or loss.

24. 5. Revaluation Reserve

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Balance, beginning of period	2,524,040	2,513,040	768,329	757,329
Revaluation Surplus	5,000	11,000	5,000	11,000
Balance as at period end	2,529,040	2,524,040	773,329	768,329

24. 6. Retained earnings

The retained earnings represents the amount available for dividend distribution to the equity holders of the company. See

24.7 Contingencies and Commitments

The Company operates in the Insurance industry and is subject to legal proceedings in the normal course of business.

There were 12 (2019 = (12)) outstanding legal proceedings against the Company as at 31 December 2020 with claims totalling N ( 2019 = N718,910,000). While it is not practicable to forecast or determine the final results of all pending or

threatened legal proceedings, professional legal advice showed that there will be no contingent liabilities resulting from the various litigations involving the Company.

The Company is also subject to Insurance solvency regulations and has complied with all the solvency regulations.

There are no contingencies associated with the Company's compliance or lack of compliance with such regulations.

25	Gross Premium Income	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
	Gross premium written				
	Direct Premium:				
	Motor	367,904	265,021	367,904	265,021
	Fire	967,390	276,872	967,390	276,872
	General Accident	294,833	243,935	294,833	243,935
	Bond	87,989	95,522	87,989	95,522
	Engineering	115,749	63,354	115,749	63,354
	Oil & Gas	583,923	457,183	583,923	457,183
	Aviation	121,880	144,913	121,880	144,913
	Marine	228,921	68,053	228,921	68,053
		2,768,589	1,614,853	2,768,589	1,614,853
	Inward Reinsurance Premium:				
	Motor	45,175	22,906	45,175	22,906
	Fire	283,983	60,431	283,983	60,431
	General Accident	38,073	17,587	38,073	17,587
	Bond	695	3,896	695	3,896
	Engineering	23,098	26,069	23,098	26,069
	Oil & Gas	183,837	37,702	183,837	37,702
	Aviation	-	13,980	-	13,980
	Marine	52,555	72,832	52,555	72,832
		627,416	255,403	627,416	255,403
	Gross premium written	3,396,005	1,870,256	3,396,005	1,870,256
	Changes in unearned premium				
	Motor	(16,045)	(65,473)	(16,045)	(65,473)
	Fire	(61,825)	137,678	(61,825)	137,678
	General Accident	6,625	(22,918)	6,625	(22,918)
	Bond	5,109	4,764	5,109	4,764
	Engineering	(11,476)	(7,254)	(11,476)	(7,254)
	Oil & Gas	98,257	(40,284)	98,257	(40,284)
	Aviation	(48,393)	(71,888)	(48,393)	(71,888)
	Marine	(46,462)	(15,325)	(46,462)	(15,325)
	Net change in unearned premium	(74,210)	(80,700)	(74,210)	(80,700)
	Change in UPR per Actuarial Valuation	-	-	-	-
	Net change in unearned premium	(74,210)	(80,700)	(74,210)	(80,700)
	Gross premium earned	3,321,795	1,789,556	3,321,795	1,789,556
	Reinsurance expenses	(761,309)	(410,488)	(761,309)	(410,488)
	Net insurance premium income	2,560,486	1,379,068	2,560,486	1,379,068

## 25(1) Net Premium Income

	GROUP		COMPANY	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	N'000	N'000	N'000	N'000
Gross Premium Written	3,396,005	1,870,256	3,396,005	1,870,256
Changes in Unearned Premium	(74,210)	(80,700)	(74,210)	(80,700)
Gross Premium Earned	3,321,795	1,789,556	3,321,795	1,789,556
Reinsurance expenses	(761,309)	(410,488)	(761,309)	(410,488)
Net Insurance Premium Income	2,560,486	1,379,068	2,560,486	1,379,068
#REF! Reinsurance expenses				
Reinsurance costs				
Motor	20,129	15,887	20,129	15,887
Fire	314,725	46,420	314,725	46,420
General Accident	77,408	79,665	77,408	79,665
Bond	22,184	28,647	22,184	28,647
Engineering	33,357	31,079	33,357	31,079
Oil & Gas	192,276	203,499	192,276	203,499
Aviation	-	81,824	-	81,824
Marine	95,027	40,492	95,027	40,492
Movement in Reinsurance Share of UPR	6,204	(117,025)	6,204	(117,025)
Movement in Prepaid M & D	-	-	-	-
	761,309	410,488	761,309	410,488
	761,309	410,488	761,309	410,488

## #REF! Fees and Commission Income

	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	N'000	N'000	N'000	N'000
Motor	1,151	1,858	1,151	1,858
Fire	76,328	11,571	76,328	11,571
General Accident	17,771	20,932	17,771	20,932
Bond	6,151	7,779	6,151	7,779
Engineering	10,007	9,324	10,007	9,324
OIL & GAS	3,308	1,602	3,308	1,602
Marine	18,762	26,918	18,762	26,918
	133,478	79,984	133,478	79,984

Fee income represents commission received on direct business and transactions ceded to re-insurance during the year under review.

## 28 Claims expenses

	GROUP		COMPANY	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	N'000	N'000	N'000	N'000
Direct claims paid during the year	492,138	343,483	492,138	343,483
Changes in outstanding claims	95,277	(80,775)	95,277	(80,775)
Additional charge to claims reserve per actuarial valuation (IBNR)	107,384	207,825	107,384	207,825
Changes in Outstanding claims (IBNR)	86,890	(64,583)	86,890	(64,583)
Gross claims incurred	781,690	405,950	781,690	405,950
Reinsurance claims recoverable(Note 28(a))	(113,784)	(216,213)	(113,784)	(216,213)
Reinsurance recovery per Actuarial Valuation	(36,727)	-	(36,727)	-
	631,179	189,737	631,179	189,737
28.a REINSURANCE CLAIMS RECOVERY				
Claims paid recovered from Reinsurance	(295,952)	(70,855)	(295,952)	(70,855)
Changes in Outstanding claims and IBNR	182,168	(145,358)	182,168	(145,358)
Total	(113,784)	(216,213)	(113,784)	(216,213)

29 Underwriting expenses

Underwriting expenses are those expenses incurred in obtaining and renewing insurance contracts. They include commissions or brokerage paid to agents or brokers and those incurred in servicing existing policies/contracts. These include processing cost, preparation of statistics and reports, and other attributable

	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	N'000	N'000	N'000	N'000
Gross commission paid	40,859	28,062	40,859	28,062
Motor	259,860	68,665	259,860	68,665
Fire	69,582	50,933	69,582	50,933
General Accident	16,515	16,497	16,515	16,497
Bond	16,306	15,251	16,306	15,251
Engineering	76,454	57,103	76,454	57,103
Oil & Gas	-	1,355	-	1,355
Aviation	79,165	52,092	79,165	52,092
Marine	558,742	289,958	558,742	289,958
Total Commission paid				
Changes in deferred commission				
Motor	(2,936)	3,607	(2,936)	3,607
Fire	(46,917)	(28,798)	(46,917)	(28,798)
General Accident	(26)	3,339	(26)	3,339
Bond	5,280	(5,862)	5,280	(5,862)
Engineering	(1,581)	(1,012)	(1,581)	(1,012)
Oil & Gas	(415)	1,432	(415)	1,432
Aviation	7,795	13,019	7,795	13,019
Marine	6,885	(3,360)	6,885	(3,360)
Additional (DCA) per actuarial Report	12,022	25,059	12,022	25,059
Changes in deferred commission	(19,893)	7,424	(19,893)	7,424
Acquisition expenses	538,848	297,382	538,848	297,382
Maintenance expenses	708,048	377,217	708,048	377,217
Underwriting expenses	1,246,897	674,599	1,246,897	674,599

30 INVESTMENT INCOME

	GROUP 31-Dec-20	31-Dec-19	COMPANY 31-Dec-20	31-Dec-19
	N'000	N'000	N'000	N'000
Dividend - Quoted and unquoted investments	155,222	67,927	155,222	67,927
Interest on call deposits	45,823	43,469	45,823	43,469
Profit/(loss) on disposal of non-current assets	75	-	75	-
Rental Income	-	-	-	-
Other income	11,031	11,999	11,031	11,999
	212,151	123,395	212,151	123,395

30.a INVESTMENT INCOME

Investment income attributable to policyholders	-	-	-	-
Investment income attributable to shareholders	212,151	123,396	212,151	123,396
	212,151	123,396	212,151	123,396

30.b Investment income attributable to shareholders

Dividend - Quoted and unquoted investments	155,222	67,927	155,222	67,927
Interest on call deposits	45,823	43,469	45,823	43,469
Profit/(loss) on disposal of non-current assets	75	-	75	-
Rental Income	-	-	-	-
Other Income	11,031	11,999	11,031	11,999
	212,151	123,395	212,151	123,395

30.c Other Operating Income

Rental Income	-	-	-	-
Interest on call deposits	45,823	43,469	45,823	43,469
	43,469	45,823	43,469	-

30.d Sundry Income

Profit/(loss) on disposal of non-current assets	-	-	-	-
Other Income	11,031	11,999	11,031	11,999
	11,031	11,999	11,031	11,999

31 FAIR VALUE GAINS/(LOSS)

	GROUP 31-12-2020	31-12-2019	COMPANY 31-12-2020	31-12-2019
	N'000	N'000	N'000	N'000
Net Fair Value Gains/(Loss)	-	-	-	-
On Investment properties	-	-	-	-
On Financial Assets	-	418,158	-	418,158
Net Fair Value Gains/(Loss)	-	418,158	-	418,158

Previous fair value gain reserve of N418.156m related to the sum of N1,086,750 reclassified to FVTPL. This amount has been subsequently reclassified to profit or loss.

31 (ii) CREDIT LOSS EXPENSES(2020)

Credit loss expense (GROUP)  
The table below shows the ECL charges on financial instruments for the year recorded in the profit or loss:

Note	Stage 1 individual	Stage 2 Individual	Stage 3	Total
<i>In thousands of Nigerian Naira</i>				
Cash and cash equivalents	960	-	-	960
Other loans and receivables	-	-	-	-
Other loans and receivables from related parties	-	-	-	-
Other receivables(For subsidiary)	-	-	(3,030)	(3,030)
	960	-	(3,030)	(2,070)

Credit loss expense (COMPANY)

The table below shows the ECL charges on financial instruments for the year recorded in the profit or loss:

Note	Stage 1 individual	Stage 2 Individual	Stage 3	Total
<i>In thousands of Nigerian Naira</i>				
Cash and cash equivalents	960	-	-	960
Other loans and receivables	-	-	-	-
Other loans and receivables from related parties	-	-	-	-
Total impairment loss	960	-	-	960

31 (ii).a CREDIT LOSS EXPENSES(2019)

Credit loss expense (GROUP)  
The table below shows the ECL charges on financial instruments for the year recorded in the profit or loss:

Note	Stage 1 individual	Stage 2 Individual	Stage 3	Total
<i>In thousands of Nigerian Naira</i>				
Cash and cash equivalents	(1,075)	-	-	(1,075)
Other loans and receivables	2,013	-	-	2,013
Other loans and receivables from related parties	-	-	-	-
Other receivables(For subsidiary)	-	-	(3,030)	(3,030)
	938	-	(3,030)	(2,092)

Credit loss expense (COMPANY)

The table below shows the ECL charges on financial instruments for the year recorded in the profit or loss:

<i>In thousands of Nigerian Naira</i>	Note	Stage 1 individual	Stage 2 Individual	Stage 3	Total
Cash and cash equivalents		(1,075)	-	-	(1,075)
Other loans and receivables		2,013	-	-	2,013
Other loans and receivables from related parties		-	-	-	-
Total impairment loss		938	-	-	938

31 (iii) CREDIT RISKS DISCLOSURE

31 (iii).a Impairment allowance for other loans and receivables - staff loans

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to staff loan is as follows:

	Stage 1 individual	Stage 2 individual	Stage 3	Total
	N'000		N'000	N'000
Gross carrying amount as at 1 January 2020	4,798	-	2,794	7,592
New assets originated or purchased	2,234	-	-	2,234
Payments and assets derecognized or repaid (excluding write offs)	(4,086)	-	(1,592)	(5,678)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	(1,668)	-	1,668	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Accrued interest	-	-	-	-
Amounts written off	-	-	(530)	(530)
Foreign exchange adjustments	-	-	-	-
At 31 December 2020	1,278	-	2,340	3,618

	Stage 1 individual	Stage 2 individual	Stage 3	Total
	N'000		N'000	N'000
ECL allowance as at 1 January 2020 under IFRS 9	21	-	1,707	1,728
New assets originated or purchased	41	-	-	41
Payments and assets derecognized or repaid (excluding write offs)	(39)	-	(104)	(143)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	(20)	-	20	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	525	525
Changes to models used for ECL calculations	-	-	-	-
Changes to estimates and assumptions used for ECL calculations	-	-	(1,622)	(1,622)
Unwind of discount	-	-	1	1
Transfers to Stage 3	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Recoveries	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2020	3	-	527	530

31 (iii).b Impairment allowance for Other receivables

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to other receivables is as follows:

	Stage 1 individual	Stage 2 individual	Stage 3	Total
			N'000	N'000
Gross carrying amount as at 1 January 2020	-	-	80	80
New assets originated or purchased	-	-	-	-
Payments and assets derecognized or repaid (excluding write offs)	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Accrued interest	-	-	-	-
Amounts written off	-	-	(80)	(80)
Foreign exchange adjustments	-	-	-	-
At 31 December 2020	-	-	-	-

	Stage 1 individual	Stage 2 individual	Stage 3	Total
			N'000	N'000
ECL allowance as at 1 January 2020 under IFRS 9	-	-	80	80
New assets originated or purchased	-	-	-	-
Payments and assets derecognized or repaid (excluding write offs)	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-
Changes to models used for ECL calculations	-	-	-	-
Changes to estimates and assumptions used for ECL calculations	-	-	-	-
Unwind of discount	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Recoveries	-	-	-	-
Amounts written off	-	-	(80)	(80)
Foreign exchange adjustments	-	-	-	-
At 31 December 2020	-	-	-	-

## 31 (iii).c Impairment allowance for other loans and receivables from related parties

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to other loans and receivables is as follows:

	Stage 1 individual	Stage 2 individual	Stage 3	Total
	N'000			N'000
Gross carrying amount as at 1 January 2020	-	-	-	-
New assets originated or purchased	6,725	-	-	6,725
Payment and assets derecognized or repaid (excluding write offs)	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Accrued interest	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2020	6,725	-	-	6,725

		<b>GROUP</b>		<b>COMPANY</b>	
		31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
<b>32</b>	<b>Other operating and administrative expenses</b>				
(i)	<i>Employee benefits expense</i>				
	Staff cost	258,453	223,577	254,243	223,577
	Contributions to defined pension scheme	14,832	8,359	14,832	8,359
	Other staff costs (Notes 32.(i.a))	295,642	210,530	294,341	210,530
		<u>568,927</u>	<u>442,466</u>	<u>563,416</u>	<u>442,466</u>
(i.a)	<b>Other staff costs</b>				
	Temporary Staff Salaries	42,740	20,468	42,740	20,468
	Staff Training & Entertainment	4,966	10,671	3,665	10,671
	Staff other benefits	197,040	140,307	197,040	140,307
	Leave Allowance	39,230	31,975	39,230	31,975
	Staff Gratuity	7,291	7,109	7,291	7,109
	Nigeria Social Ins Trust Fund	-	-	-	-
	Staff GPA Insurance	4,375	-	4,375	-
		<u>295,642</u>	<u>210,530</u>	<u>294,341</u>	<u>210,530</u>
(ii)	<b>Management expenses comprise;</b>				
	Bank charges	7,352	9,950	7,218	9,763
	Other charges and expenses (Notes 32.(iii))	174,074	355,300	167,892	348,415
	General maintenance and running costs	91,571	105,651	81,206	88,153
	Legal and professional fees	62,070	51,519	61,970	51,414
	Audit fees	8,800	8,800	8,000	8,000
	Insurance supervision fees	20,115	17,180	20,017	17,054
	Depreciation	90,126	133,635	84,462	128,129
	Amortisation of Intangible Assets	16,073	13,047	16,073	13,047
	Impairment gain/(loss)	-	-	-	-
	Interest on overdrafts	-	-	-	-
	Cost of sales - Hotels	-	-	-	-
	<i>Other operating expenses</i>	470,181	695,082	446,838	663,975
	<i>Other operating and administrative expenses</i>	<u>1,039,108</u>	<u>1,137,548</u>	<u>1,010,254</u>	<u>1,106,441</u>
		<b>GROUP</b>		<b>COMPANY</b>	
		31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
(ii.a)	<b>Other charges and expenses</b>				
	<b>OTHER PROFESSIONAL CHARGES</b>	-	-	-	-
	TRANSPORT ALLOWANCE	692	2,044	529	1,715
	TERMINAL PAY	-	-	-	-
	HOTEL ACCOMMODATION	1,384	3,448	1,384	3,448
	SECURITY EXPENSES	584	1,332	589	407
	ENTERTAINMENT	15,791	11,128	13,665	6,507
	BUSINESS PROMOTION	-	-	-	-
	ADVERTISEMENT	8,014	14,522	8,014	14,522
	NEWSPAPERS & PERIODICALS	30	348	77	99
	TELEPHONE BILLS	2,572	3,455	2,438	3,040
	INTERNET CONNECTIVITY	7,431	11,115	7,488	11,115
	PRINTING COST	21,805	17,111	21,510	16,774
	STATIONERY COST	1,916	9,898	1,103	9,898
	LOCAL GOVT. LEVIES	756	430	756	430
	VALUE ADDED TAX/STAMP DUTIES	742	335	742	335
	LEVY/FEE/PENALTY	4,785	6,000	4,785	6,000
	DIRECTORS EXPENSES	-	-	-	-
	DIRECTORS SITTING ALLOWANCES	13,720	9,500	10,450	9,500
	ASSETS INSURANCE EXPENSES	238	778	140	778
	FILING FEE	250	1,073	250	1,073
	DIRECTORS FEES	21,000	6,000	21,000	6,000
	GIFTS	9,902	8,698	9,902	8,698
	OFFICE CLEANING EXPENSES	724	717	829	717
	CHRISTMAS GIFT/SUNDRY	7,526	2,422	7,526	2,412
	SUBSCRIPTIONS TO PROFESSIONAL BODIES/CLUBS	6,058	1,439	6,058	1,439</

- 33 Interest expense  
Interest expense represents finance cost recognized on the bank loan during the year under review.

Earnings per share

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Profit attributable to equity holders	611,950	65,073	611,548	65,073
Weighted average number of ordinary shares in issue (in thousands)	16,000,000	16,000,000	16,000,000	16,000,000
34 Basic earnings per share (kobo per share)	3.825	0.407	3.822	0.407

The calculation of basic earnings per share at 31 Dec 2020 was based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares

35 RELATED PARTIES INTEREST

35.1 Related party transactions				
Other Loans and Receivables	49,620	42,685	49,620	42,685
Other payables	4,569	4,569	4,569	4,569
	54,189	47,254	54,189	47,254

Other Loans And Receivables of N49,620,000.00 is due to related party-- Universal Hotels Limited

35.2 Related Party				
Conau Limited			-	-
Universal Hotels Limited	42,685	42,685	42,685	42,685
Frenchies Foods Nig. Ltd	4,569	4,569	4,569	4,569
African Alliance Insurance Plc	-	-	-	-
	47,254	47,254	47,254	47,254

- 36 Employees  
The average number of persons employed by the Company during the year

	GROUP		COMPANY	
	31-Dec-20 Number	31-Dec-19 Number	31-Dec-20 Number	31-Dec-19 Number
Executive directors	3	3	3	3
Management	27	27	24	24
Non-management	90	75	70	55
	120	105	97	82

37 Securities Trading Policy

Universal Insurance Plc. has adopted a Code of Conduct regarding securities transactions by its directors on terms which are no less exacting than the required standard set out in Rule In relation to this Interim report (UFS Q4, 2019), we have made specific enquiry of all directors of the Company and we are satisfied that the directors have complied with the required standard

38 CONTRAVENTIONS AND PENALTIES

During the year there was no noticed penalty by the National Insurance Commission (NAICOM) for any contravention of certain sections of the Insurance Act 2003 and certain circulars as issued by the NAICOM. Details of the contraventions and the related penalties are as follows.

	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-20 N'000	31-Dec-19 N'000
Penalty to Securities and Exchange Commission (SEC)( See (i) below)	-	-	-	-
Penalty to Financial Reporting Council of Nigeria (FRC)( See (ii) below)	-	6,000	-	6,000
	-	6,000	-	6,000

(i) 2019 the Company paid penalty for contravening the reporting procedures of Financial Reporting Council rules

## OTHER DISCLOSURES



**UNIVERSAL INSURANCE PLC  
STATEMENT OF VALUE ADDED**

	GROUP				COMPANY			
	2020 N,000	%	2019 N,000	%	2020 N'000	%	2019 N'000	%
Underwriting income	2,693,964	140%	1,459,051	203%	2,693,964	141%	1,459,051	206%
Re-insurance, claims and commission and	(988,421)	-52%	(862,166)	-120%	(1,000,884)	-53%	(873,713)	-123%
Investment and other income	212,151	11%	123,396	17%	212,151	11%	123,396	17%
<b>Value Added</b>	<b>1,917,694</b>	<b>100%</b>	<b>720,281</b>	<b>100%</b>	<b>1,905,231</b>	<b>100%</b>	<b>708,734</b>	<b>100%</b>
<b>Applied as follows:</b>								
Staff and other costs	568,927	41%	453,258	63%	563,416	41%	442,466	62%
<b>Government Taxation</b>	<b>14,130</b>	<b>1%</b>	<b>10,500</b>	<b>1%</b>	<b>13,244</b>	<b>1%</b>	<b>10,500</b>	<b>1%</b>
<b>Retained in the business</b>								
Depreciation and amortization	90,126	6%	133,635	19%	84,462	6%	128,129	18%
Retained Profit/(loss) for the year	611,950	44%	60,322	8%	611,548	44%	65,073	9%
Fair value reserve	6,459	0%	6,459	1%	6,459	0%	6,459	1%
Contingency reserve	101,880	7%	56,108	8%	101,880	7%	56,108	8%
<b>Value added</b>	<b>1,393,473</b>	<b>100%</b>	<b>720,282</b>	<b>100%</b>	<b>1,381,010</b>	<b>100%</b>	<b>708,735</b>	<b>100%</b>
	(524,221)				(524,221)			

**Universal Insurance Plc**  
**Statements of Changes in Equity (GROUP)**  
for the period ended 31 December 2020

In thousands of Nigerian naira

	Share Capital	Share Premium	Revaluation reserve	Contingency reserve	Fair value reserves	Retained earnings	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2020	8,000,000	825,018	2,524,040	484,775	6,459	(2,654,885)	9,185,407
						-	-
	8,000,000	825,018	2,524,040	484,775	6,459	(2,654,885)	9,185,407
Total comprehensive income							
Profit and loss	-	-	-	-	-	611,548	611,548
Other comprehensive income							-
Gain on the revaluation of land and buildings			5,000				5,000
Foreign currency translation difference							-
Fair value reserve (available-for-sale) financial assets							-
Net change in fair value							-
Net amount transferred to profit or loss						158,979	158,979
Gain on the revaluation of land and buildings						-	-
Net Fair value changes in AFS financial assets					-	-	-
Net gain/loss on previous AFS reclassified to FVTPL					-	-	-
Fair value reserve derecognised on disposal						-	-
Transfer to contingency reserve				101,880		(101,880)	-
Other comprehensive income for the period	-	-	-	101,880	-	57,099	163,979
Total comprehensive income for the period	-	-	-	101,880	-	668,647	775,527
Transfer during the year	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-
Total contribution and distributions to owners	-	-	-	-	-	-	-
Balance at 31 December 2020	8,000,000	825,018	2,524,040	586,655	6,459	(1,986,238)	9,960,934
Balance at 1 January 2019	8,000,000	825,018	2,513,040	428,667	1,583,838	(3,056,441)	10,294,122
IFRS 9 Transition Adjustment						-	-
Total comprehensive income for the period							-
Profit or loss						60,322	60,322
Other comprehensive income							-
Gain on the revaluation of land and buildings	-	-	11,000	-	-	-	11,000
Net Fair value changes in AFS financial assets	-	-	-	-	(1,159,221)	403,685	(755,536)
Fair value reserve derecognised on disposal					(418,158)	(6,344)	(424,502)
Transfer to contingency reserve	-	-	-	56,108		(56,108)	-
	-	-	11,000	56,108	(1,577,379)	341,233	(1,169,038)
Other comprehensive income for the period	-	-	11,000	56,108	(1,577,379)	401,556	(1,108,716)
Total comprehensive income for the period	-	-		-	-	-	-
Balance at 31 December 2019	8,000,000	825,018	2,524,040	484,775	6,459	(2,654,885)	9,185,407

UNIVERSAL INSURANCE PLC  
FIVE YEAR FINANCIAL SUMMARY  
For the period ended 31 December

COMPANY  
STATEMENT OF FINANCIAL POSITION

	2020 N'000	2019 N'000	2018 N'000	2017 N'000	2016 N'000
Cash and Cash Equivalent	335,398	111,730	419,296	271,230	553,536
Financial Assets	2,005,454	1,329,992	2,858,153	2,856,058	2,845,502
Trade Receivables	39,638	8,735	10,931	6,773	5,429
Reinsurance Assets	347,352	453,343	237,065	375,503	84,874
Deferred Acquisition Cost	109,061	89,168	96,592	31,090	24,313
Deferred tax assets	403,685	403,685			
Other Receivables	317,186	174,747	1,744,652	1,753,153	1,752,244
Investment in Subsidiary	2,449,516	2,449,516	2,449,516	2,449,516	1,576,703
Investment Properties	1,891,000	1,886,000	1,875,000	1,854,000	1,796,000
Intangible Assets	62,229	55,242	42,914	20,550	17,369
Property Plant and Equipmeny	2,672,512	2,730,026	2,822,622	2,808,784	2,905,183
Statutory Deposits	335,000	335,000	335,000	335,000	335,000
Total Assets	10,968,032	10,027,184	12,891,741	12,761,657	11,896,153
Liabilities					
Insurance Contract Liabilities	1,417,723	1,161,345	1,018,179	787,275	497,301
Borrowing	-	-	-	-	-
Trade Payables	192,769	93,459	21,287	22,900	18,385
Other Payables	89,684	104,003	1,666,578	1,687,537	1,763,746
Employee benefits liability	-	-	2,178	2,178	5,043
Income tax liabilities	6,831	18,902	32,534	64,056	59,314
Deferred tax liabilities	296,875	296,875	700,560	700,560	697,211
Total Liabilities	2,003,883	1,674,584	3,441,316	3,264,506	3,041,000
Equity					
Issued and paid Shared capital	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Share Premium	825,018	825,018	825,018	825,018	825,018
Contingency Reserve	586,655	484,775	428,667	378,007	355,415
Fair value reserve	6,460	6,459	1,583,838	1,576,710	1,566,217
Revaluation reserve	768,329	768,329	757,329	757,329	757,329
Retained earning	(1,222,314)	(1,731,982)	(2,144,427)	(2,039,913)	(2,648,825)
Shareholders fund	8,964,147	8,352,599	9,450,425	9,497,151	8,855,154
Non-controlling interest	-	-	-	-	-
TOTAL EQUITY & LIABILITIES	10,968,031	10,027,183	12,891,741	12,761,657	11,896,154

STATEMENT OF COMPREHENSIVE INCOME	2020 N'000	2019 N'000	2018 N'000	2,017 N'000	2,016 N'000
GROSS Premium written	3,396,005	1,870,255	1,688,673	753,067	536,526
Premium earned	3,321,795	1,789,556	1,379,606	730,849	573,837
Profi before tax	624,792	(328,112)	(39,553)	666,208	121,681
Taxation	(13,244)	10,500	(7,120)	(32,024)	(33,237)
Profit after taxation	611,548	65,073	(46,673)	634,184	88,444
Transfer to contingency reserve	(101,880)	(56,045)	(50,660)	(22,592)	(18,009)
Retained earning	609,073	(691,401)	(33,398)	611,592	70,435
Earning per share	3.82	0.41	(0.29)	3.96	0.55

UNIVERSAL INSURANCE PLC  
FIVE YEAR FINANCIAL SUMMARY  
For the period ended 31 December

GROUP

STATEMENT OF FINANCIAL POSITION

	2020	2019	2018	2017	2016
	N'000	N'000	N'000	N'000	N'000
Cash and Cash Equivalent	336,766	113,378	421,033	298,867	581,513
Financial Assets	2,005,454	1,329,992	2,858,153	2,856,058	2,845,502
Trade Receivables	119,278	48,113	57,064	97,096	78,040
Reinsurance Assets	347,352	453,343	237,065	375,503	84,874
Deferred Acquisition Cost	109,061	89,168	96,592	31,090	24,313
Deferred tax assets	403,685	403,685			
Other Receivables	317,867	167,880	1,734,940	1,743,243	1,763,605
Investment in Subsidiary	-	-	-	-	-
Investment Properties	5,240,696	5,235,696	5,224,697	5,203,697	5,136,792
Intangible Assets	62,229	55,242	42,914	20,550	17,369
Property Plant and Equipmeny	2,728,150	2,770,513	2,874,540	2,854,211	2,952,267
Statutory Deposits	335,000	335,000	335,000	335,000	335,000
			-	-	-
<b>Total Assets</b>	<b>12,005,539</b>	<b>11,002,010</b>	<b>13,881,998</b>	<b>13,815,316</b>	<b>13,819,275</b>
<b>Liabilities</b>					
Insurance Contract Liabilities	1,417,723	1,161,345	1,018,179	497,301	509,656
Borrowing	-	-	-	-	-
Trade Payables	219,990	127,183	40,907	31,998	13,892
Other Payables	107,298	117,347	1,698,568	1,792,531	1,677,123
Employee benefits liability	-	-	2,178	5,043	13,142
Income tax liabilities	7,717	23,292	36,924	62,807	83,588
Deferred tax liabilities	296,875	387,435	791,120	787,005	550,684
liabilities associated with assets classified as	-	-	-	-	73,880
<b>Total Liabilities</b>	<b>2,049,604</b>	<b>1,816,602</b>	<b>3,587,876</b>	<b>3,176,685</b>	<b>2,921,965</b>
<b>Equity</b>					
Issued and paid Shared capital	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Share Premium	825,018	825,018	825,018	825,018	825,018
Contingency Reserve	586,655	484,775	428,667	355,415	337,406
Fair value reserve	6,459	6,459	1,583,838	1,566,217	778,649
Revaluation reserve	2,524,040	2,524,040	2,513,040	2,513,040	3,383,466
Retained earning	(1,986,238)	(2,654,885)	(3,056,441)	(2,617,101)	(2,628,033)
Shareholders fund	9,955,934	9,185,407	10,294,122	10,642,589	10,696,506
Non-controlling interest					
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>12,005,538</b>	<b>11,002,009</b>	<b>13,881,998</b>	<b>13,819,274</b>	<b>13,618,471</b>
	1		0		

STATEMENT OF COMPREHENSIVE INCOME

	2020	2019	2018	2017	2016
	N'000	N'000	N'000	N'000	N'000
GROSS Premium written	3,396,005	1,870,255	1,688,673	753,067	753,067
Premium earned	3,321,795	1,789,556	1,379,607	730,849	730,849
Profi before tax	626,080	(332,863)	(37,943)	668,345	668,345
Taxation	(14,130)	10,500	(8,993)	(32,407)	(32,407)
Profit after taxation	611,950	60,322	(46,936)	635,938	635,938
Transfer to contingency reserve	(101,880)	(56,108)	(50,660)	(22,592)	(22,592)
Retained earning	609,475	(693,122)	(46,936)	613,346	613,346
Earning per share	3.82	0.38	(0.29)	3.97	0.58